



Coordinated Mobility Program

Section 5310

Enhanced Mobility of Seniors and Individuals with Disabilities

Grant Guidebook

FY 2013

Arizona Department of Transportation
Multimodal Planning Division
206 South 17th Avenue, Mail Drop 340B
Phoenix, AZ 85007

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SECTION I. OVERVIEW

A. INTRODUCTION

The Multimodal Planning Division (MPD) of the Arizona Department of Transportation (ADOT) administers several Federal Transit Administration (FTA) grant programs for the State of Arizona. This guidebook details the program requirements for the FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities grant program. ADOT refers to this program as the “Coordinated Mobility Program.”

The Coordinated Mobility Program, FTA Section 5310, is a grant program that provides funding to assist with costs for mobility management activities, the purchase of capital equipment, and operations to meet the mobility needs of seniors (sixty five years and over) and individuals with disabilities of any age. Funds are primarily used to support mobility management activities that provide innovative and coordinated transportation services and to purchase vehicle for agencies that work within a coordinated framework of service provision for seniors and individuals with disabilities. ADOT puts an emphasis on the mobility management concept to encourage the best use of available resources.

ADOT works closely with regional transportation planning agencies to solicit, review and award grant applications under the Coordinated Mobility Program. In rural areas of Arizona these agencies are Council of Governments (COG). In urbanized areas, Metropolitan Planning Organizations (MPO) fill this role.

In previous years, ADOT managed three grant programs as part of the Coordinated Mobility Programs, to include the Section 5316 (Job Access and Reverse Commute) and the Section 5317 (New Freedom) programs. New federal requirements under the current federal transportation law, MAP-21, repealed both of these grant programs and these grant funds for operating projects are no longer available. Because the Coordinated Mobility Program now only offers grant assistance through one grant program, 2013 is a transition year in which ADOT, the COGs/MPOs, and the agencies who previously received 5316 and 5317 funding for program operations will need to work together to develop and fund operating projects that best meet coordination and mobility management objectives statewide.

This Guidebook provides all the basic information needed to understand what is required to apply for Section 5310 grant funds as well as what the program responsibilities once funded.

B. COG/MPO RESPONSIBILITIES

As stated in the previous section, ADOT works closely with the COG or MPO in each region and these organizations have significant responsibilities in the assisting ADOT in managing the Section 5310 grant process.

Major responsibilities include:

- Developing and maintaining each regional Coordinated Public Transit - Human Services Transportation Plan.
- Initially reviewing all Section 5310 applications submitted in each region to ensure eligibility requirements have been met.
- Organizing and managing Application Review Committees for each region, which analyze and score each application submitted for 5310 grant funding.
- Providing technical assistance to applicants and subsequent grant subrecipients in each region in meeting federal and state grant requirements.
- Coordinating transportation activities in the region, within a mobility management framework.

Applicants are required in each region to become familiar with their COG/MPO Section 5310 related activities and work directly with their local COG or MPO staff in meeting Section 5310 application requirements.

C. PROGRAM UPDATES – NEW FOR 2013

New federal program requirements. MAP-21, the new federal transportation legislation effective for Fiscal Years 2013 and 2014, has changed both the structure and the administration of the Section 5310 program. Two of the more significant changes are: 1) Section 5310 now funds operating expenses as an eligible project cost and 2) large urbanized areas now receive a specific funding amount, that cannot be used in any other part of the state, and those areas can directly administer those funds through their own application and program management process. See [Section II, 5310 Grant Program, Part I, Eligibility Requirements, Subsections C and D](#), for further information on both agency and project eligibility requirements.

The application and grant management process has changed. The application and all subsequent documents used to manage grant funds are now all being offered online through an electronic system called E-Grants. All applicants will be required to obtain login information to access the system, and then create both organization and user profiles and submit application forms and documents within the E-Grants system. *Hard copy applications will no longer be accepted.* In addition, the application format and content has been revised in light of new federal requirements and state priorities.

ADOT will be providing technical assistance in the form of webinars and written instruction to assist applicants with the new requirements. One method of assistance is a user manual entitled “Section 5310 Application Instructions.” This manual explains how to access, complete and submit an application through the system and provides step-by-step instructions. Go to azdot.gov, Planning and Transit, Transit Programs and Grants, for the Section 5310 Application Instructions manual.

Increased Coordination Plan emphasis. New federal guidance and subsequent state emphasis now requires all projects applied for under the Section 5310 program to be “included in” the most recent version of a region’s Coordinated Public Transit – Human Service Transportation Plan. See Section II, 5310 Grant Program, Part I, Eligibility Requirements, Subsection B, for more information on Coordination Plan requirements.

Additional vehicle inventory information required. Applicants and existing grant subrecipients will now be required to provide information on their entire fleet of vehicles, not just ADOT funded vehicles. In addition to basic fleet information (age, mileage, etc.), applicants will also be required to provide vehicle availability information including days and the hours each vehicle is being used in service. This new information provided will be used for both evaluating vehicle replacement requests and to assist in determining how best to coordinate vehicle use in a region. See both Section II, 5310 Grant Program, Part II 2013 Funding and Application Requirements, Subsection C, for more information on vehicle request evaluation requirements and the Section 5310 Application Instructions manual for more information on how to enter the vehicle fleet information into the E-Grants system.

Direct costs are the only eligible costs that ADOT will reimburse. For the Section 5310 program, the only project costs that can be applied for and reimbursed are those that are considered “direct costs.” Direct costs include fuel, salaries, etc. Indirect costs and cost allocation plans will not be considered for funding and reimbursement. See Section II, 5310 Grant Program, Part I, Eligibility Requirements, Subsection E, for more information on cost eligibility requirements.

Revised lien policy. Agencies with vehicles purchased with future and past Coordinated Mobility Program funds (5310, 5316, 5317) are subject to lien release policy requirements that went into effect in the summer of 2012. Liens on ADOT funded vehicles are now released based on mileage, not on age. Also, vehicles are released only once per year, at the time of ADOT annual vehicle inspection. See Section III, Program Administration, Part I State Oversight, Subsection E, for more information on lien policies and procedures.

D. FY 2013 TIMELINE

Due to federal program changes that were implemented in the summer and fall of 2012, and the implementation of the new ADOT E-Grants system in the winter of 2013, ADOT changed the application timeline for FY 2013. Please note that the FY 2014 application cycle will follow the more traditional application timeline beginning in the fall of 2013.

ADOT posts the Notice of Funding Availability (NOFA).	March 14, 2013
COG/MPO notifies potential applicants of funding availability.	March 2013
ADOT conducts application/federal requirements webinars, releases application and subsequent guidebook/guidance.	April 1 – 9, 2013
COG/MPO conducts regional workshop.	April 2013
Applications due to COG/MPO via the E-Grants system.	June 7, 2013
COG/MPO evaluate applications for threshold requirements. COG/MPO Regional Review Committee Members review and determine evaluation scores for each application.	June – July 2013
Applications and final evaluation scores from COG/MPO due to ADOT.	July 29, 2013
ADOT reviews applications, COG/MPO evaluations, conducts internal evaluation and scoring, drafts FY 2013 award list.	August 2013
Award notification sent to COG/MPO from ADOT.	September 2013
ADOT sends out official award notification letter to subrecipients.	September 2013
Deadline for subrecipients to appeal award decision.	October 2013
ADOT sends out contractual Exhibit A for signature, local match money required for ADOT led procurement capital awards.	November/December 2013
ADOT orders vehicles and other capital from ADOT led procurements.	January – March 2014
Capital equipment is built, inspected, delivered, and titled.	March - July 2014

**Timeframes are approximate and subject to change.*

E. CONTACT INFORMATION

For program and training related inquiries please contact:

ARIZONA DEPARTMENT OF TRANSPORTATION

Multimodal Planning Division

206 South 17th Avenue, Mail Drop 340-B
Phoenix, Arizona 85007

Dan Harrigan, Program Manager, Section 5310 Coordinated Mobility Program

E-mail: dharrigan@azdot.gov

Phone: (602) 712-8232 Facsimile: (602) 712-3046

Tracy Young, 5311 Transit Program Manager, RTAP Program Manager

E-mail: tyoung@azdot.gov

Phone: (602) 712-7106 Facsimile: (602) 712-3046

WEBSITE

Dedicated ADOT web pages for the Coordinated Mobility Program can be accessed at azdot.gov under Planning and Transit, Transit Programs and Grants. Select information on a specific grant program by going to the “Grant Programs” tab at the top left of the page.

The website provides valuable information for those interested in learning more about ADOT’s public transit programs. This Guidebook is available on the website along with information on related programs and initiatives.

CIVIL RIGHTS CONTACT INFORMATION

For more detailed information pertaining to civil rights, including the Americans with Disabilities Act (ADA) and Disadvantaged Business Enterprise (DBE) requirements, please contact:

ARIZONA DEPARTMENT OF TRANSPORTATION

Civil Rights Office

1135 North 22nd Avenue, Second Floor - Mail Drop 154A
Phoenix, AZ 85009

Phone: (602) 712-7761 Facsimile: (602) 712-8429

Title VI Compliance: Lucy Schrader (lschrader@azdot.gov)

DBE Compliance: Charlene Neish (cneish@azdot.gov)

ADA Compliance: Eddie Edison (eedison@azdot.gov)

REGIONAL PROGRAM CONTACTS

CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS (CAG)

1075 South Idaho Road Suite 300, Apache Junction, Arizona 85219

Mark Griffin mgriffin@cagaz.org

PHONE: (480) 474-9300 FAX: (480) 474-9306

CENTRAL YAVAPAI METROPOLITAN PLANNING ORGANIZATION (CYMPO)

1971 Commerce Center Circle, Suite E, Prescott, Arizona 86301

Christopher Bridges Christopher.Bridges@co.yavapai.az.us

PHONE: (928) 442-5730 FAX: (928) 759-5521

FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION (FMPO)

211 West Aspen, Flagstaff, Arizona 86001

Martin Ince mince@flagstaffaz.gov

PHONE: (928) 213-2685 FAX: (928) 779-7696

MARICOPA ASSOCIATION OF GOVERNMENTS (MAG)

302 North 1st Avenue, Suite 300, Phoenix, Arizona 85003

DeDe Gaisthea dgaisthea@azmag.gov

PHONE: (602) 254-6308 FAX: (602) 254-6490

NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG)

119 East Aspen Avenue, Flagstaff, Arizona 86001

Jason Kelly jkelly@nacog.org

PHONE: (928) 830-0127 FAX: (928) 773-1135

PIMA ASSOCIATION OF GOVERNMENTS (PAG)

177 North Church, Suite 405, Tucson, Arizona 85701

Patrick Hartley phartley@pagnet.org

PHONE: (520) 792-1093 FAX: (520) 620-6981

SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION (SEAGO)

1403 W. Highway 92, Bisbee, Arizona 85603

Chris Vertrees cdvertrees@seago.org

PHONE: (520) 432-5301 FAX: (520) 432-5858

WESTERN ARIZONA COUNCIL OF GOVERNMENTS (WACOG)

208 North 4th Street, Kingman, Arizona 86401

Sharon Mitchell sharonm@wacog.com

PHONE: (928) 377-1070 FAX: (928) 753-7038

YUMA METROPOLITAN PLANNING ORGANIZATION (YMPO)

502 South Orange Ave, Yuma, Arizona 85364

Charlene Fitzgerald cfitzgerald@ympo.org

PHONE: (928) 783-8911 FAX: (928) 329-1674

SECTION II. 5310 GRANT PROGRAM

This section provides information on the Section 5310 program including eligibility and application requirements and applicant responsibilities.

PART I. ELIGIBILITY REQUIREMENTS

A. OVERVIEW AND PURPOSE

The overall goal of the FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities grant program, which ADOT refers to as the “Coordinated Mobility Program,” is to provide and strengthen the transportation services available to meet the mobility needs of seniors and the disabled. It is recognized that these populations have transportation needs which are often not met by conventional automobile or public transportation, and require specialized assistance in order to access services, employment, and medical care.

All Section 5310 projects must provide service to seniors (65 years and over) and/or persons with disabilities of all ages. Agencies may transport a broader range of clientele, and agencies are encouraged to use their vehicles in a coordinated manner, but the focus of the program is seniors or individuals who have disabilities.

B. PLANNING

REGIONAL TRANSPORTATION COORDINATION PLAN

All projects funded under the Coordinated Mobility Program must be “included in” and “derived from” (either specifically described in or consistent with) a locally developed, coordinated public transit-human services transportation planning process. Coordination is a key element of FTA programs. In order to be awarded grant assistance, successful applicants must be included in the Regional Coordination Plan for their area.

If applying for a project that is consistent with the Coordination Plan but not specifically described in the text, note that such projects still need to be listed in the annual amendment to the plan containing the current project list. Those who are unsure as to whether their proposed project is eligible based on these planning requirements should contact their regional Council of Governments (COG) or Metropolitan Planning Organization (MPO) contact person(s).

The state of Arizona is divided into nine planning regions. The COG/MPO in each planning region is expected to develop a Coordinated Public Transit - Human Services Transportation Plan. The key elements of this plan include the following:

- Stakeholder involvement;
- An inventory of available services and resources including: transportation providers and their services, fleet inventories and availability, and key human service programs and how transportation is provided to those human service clients;
- An assessment of transportation needs for targeted groups of people, including supporting demographic and employment data;
- An evaluation of areas of redundant transportation service and gaps in service;
- Identification of coordination actions and strategies to eliminate or reduce duplication in services, to improve customer access to services, and to improve utilization of resources;
- Prioritization of implementation strategies and actions (including vehicle replacement plans); and,
- An annual listing of projects eligible for funding in the region.

Coordination Plans meeting all standards will be approved for three years with an annual update that includes projects eligible for funding for the upcoming Coordinated Mobility Program grant cycle. Note that a region's Coordination Plan may be updated as needed to reflect the implementation of a mobility management program and/or changes in strategies.

C. ELIGIBLE APPLICANTS

ELIGIBLE AGENCY TYPES

Eligibility for Section 5310 funds is limited *primarily* to private nonprofit organizations; however, public agencies are eligible in certain circumstances described further below. Private For-Profit Organizations *are not* eligible for Section 5310 funds.

- **Private Nonprofit Organizations** when publicly operated mass transportation services are unavailable, insufficient, or inappropriate. Evidence of nonprofit status is demonstrated by submittal of a certified copy of the Articles of Incorporation or by an Internal Revenue Service (IRS) 501(c)(3) Federal income tax exemption letter.
- **Governmental Authorities**
 - **City, County, Town and Tribal Governments including other related public bodies/Tribal community agencies** providing transportation service

to seniors and/or persons with disabilities can apply if they certify to ADOT that no private nonprofit organization(s) is readily available in the service area to provide the needed service. The operational definition of “readily available” implies agencies that are also “capable and willing.” Evidence of this certification is demonstrated by submittal of contact letters, support letters, outreach materials, coordination plan meeting minutes, etc. to verify the agency is the only entity in the service area willing to provide the specific service requested and there are no nonprofit organizations readily available in the area to provide the needed service.

- **Public Agencies such as Council of Governments (COGs) or Metropolitan Planning Organizations (MPOs)** providing oversight and administration (not necessarily transportation service) for a project that is conducted in the interest, or strongly supportive, of local, regional, and/or State coordination objectives, such as a COG conducting regional mobility management activities. For a governmental authority to take a lead role in overseeing such a project the State must approve this role and it must be reflected in regional coordination planning activities. Evidence of this approval is demonstrated by submittal of contact letters, support letters, outreach materials, coordination plan meeting minutes, etc. documenting the agency is the lead agency.

Applicants will be required to certify eligibility in two ways. The first is through the annual application process (see more information in the Section 5310 Application Instructions manual). In the application, applicants are required to both identify what type of agency they are and also submit the appropriate documentation to verify eligibility. The COGs/MPOs and ADOT, through the initial application review process, will evaluate certifications and documents to authenticate eligibility.

Applicants are also required to follow a public notice process before application submission for capital projects to communicate and clarify which agency will be providing the designated service in a given service area. This public notice process provides an opportunity for comment by agencies that may also be planning on applying for similar service.

The second verification method is through the regional Coordination Planning process. This process requires that a list of eligible Section 5310 projects be determined at a regional level and included in the plan annually. Regions will be required, while determining this list, to ensure that only eligible nonprofit organizations and governmental authorities will be providing Section 5310 services and also to ensure there is no duplication of services. In addition, this planning process includes determining the roles and responsibilities of the regional mobility manager and any sub-regional mobility

managers. Documentation of these roles will assist with the verification of the roles governmental agencies have when applying for Section 5310 funding.

ELIGIBLE REGIONS

The new federal transportation legislation, MAP-21, has changed the way the Section 5310 program can be administered. New federal guidelines allow large urbanized areas (UZA) to directly administer Section 5310 funds for their areas. Arizona has two urbanized areas: the Phoenix–Mesa UZA, located in the MAG region and the Tucson UZA, located in the PAG region.

For the 2013 application cycle, all regions in the State, with the exception of the Phoenix–Mesa UZA, which is a part of the MAG region, are eligible to apply through ADOT for Section 5310 funds. The Phoenix–Mesa UZA will **not be** using ADOT to administer their Section 5310 funding, and applicants formally under ADOT’s jurisdiction in this urbanized area **will now** apply directly through the City of Phoenix, in coordination with MAG, for this funding source.

Conversely, the Tucson UZA **will continue** to use ADOT to administer Section 5310 funding for their urbanized area, which falls under the PAG region. Applicants will continue to apply through ADOT for these funds, as in previous years. Although ADOT is administering the program, the Tucson UZA will still be provided a specific amount to fund on projects and in coordination with PAG, will dictate how these funds are to be spent in line with their regional Coordination Plan goals and objectives.

Urbanized areas are designated by boundaries dictated by the 2010 US Census. In Appendix A, an urbanized area map for the Phoenix–Mesa region is provided to help determine if your agency should apply to ADOT or to the City of Phoenix directly in FY 2013 for Section 5310 funds. If after review, there still remains any question as to what service area or primary agency address falls within the Phoenix–Mesa UZA, please contact your local regional MPO staff person or the ADOT Section 5310 Program Manager directly.

D. ELIGIBLE ACTIVITIES / PROJECTS

FTA Section 5310 funding is available to fund costs for mobility management activities, the purchase of capital equipment (e.g., vehicles, dispatch software), and operations for transportation services that address the mobility needs of seniors and individuals with disabilities.

The primary focus of the program remains funding mobility management activities and capital project expenses, primarily for nonprofit agencies, with the intent of providing

services to meet the mobility needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable.

Under the new federal MAP-21 transportation legislation, project operating costs are now also eligible for specific types of projects, but these projects must be: public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit services; or alternatives to public transportation that assist seniors and individuals with disabilities. The expanded eligibility provisions are a result of the consolidation of the Section 5317 program, which was repealed by the federal government, with the Section 5310 program.

CAPITAL - MOBILITY MANAGEMENT

Mobility Management is considered a capital project and expense under the Section 5310 program. Mobility Management projects consist of several different types of activities, to include mobility manager staff positions and related program costs, short range planning, and technology such as scheduling software and hardware.

Mobility Management projects are intended to build coordination among existing public transportation providers and other transportation service providers with the result of *expanding the availability of service*.

Projects that support the coordination of transportation services, public or otherwise; is one of the top priorities for ADOT under the Section 5310 program. With that as a basis, starting with FY 2012, ADOT committed to fund one regional Mobility Manager staff position in each of the four rural regions of the state. Those staff positions are tasked with: 1) undertaking the necessary planning work required to manage the regional Coordination Planning process, 2) forming transportation provider partnerships, 3) implementing coordination actions through formation and oversight of local coordination councils, 4) developing and providing information and referral services, 5) overseeing sub-regional coordination activities, and 6) monitoring performance; all to achieve the regional and state priorities for mobility management. These tasks will also form a basis for determining what other projects agencies in these regions should be applying for under the Section 5310 program at both the regional and sub-regional levels.

In addition, as a basis for making the most appropriate capital equipment and operations funding decisions, given limited funding resources at the regional and state level, the regional mobility manager positions are tasked with establishing mechanisms to share resources, whether this is a vehicle, joint training, or other services and supplies. They are also to identify the most appropriate regional fleet size required to serve local and

regional transportation needs and how best to keep this fleet maintained in a state of good repair (*see definition of this concept in Part II, Applicant Responsibilities*).

Applicants for mobility management projects in the rural regions with existing mobility managers (CAG, NACOG, SEAGO, and WACOG) should only apply when their project or idea has evolved and been appropriately vetted through the coordination planning process and regional mobility management program evaluation measures.

ADOT welcomes applications for mobility management projects from other regions in the state (CYMPO, FMPO, YMPO) that either look to fund a regional mobility manager, or regional mobility management project, that has been determined to be in the best interest of the region and in line with the region's coordination plan goals and objectives.

ADOT has previously funded mobility management projects at the sub-regional level and will continue to evaluate those projects on a case-by-case basis. However, applications for sub-regional projects will be limited in FY 2013 as the state focus for mobility management, at this point, remains the funding of regional mobility manager positions and supporting these positions until they are successfully achieving the tasks referenced above. ADOT will look to prioritize funding both regional and sub-regional projects in regions that are making appropriate strides towards effective resource and mobility management.

Applications for mobility management projects, either regional or sub-regional, in the PAG region should follow regional Coordination Plan objectives. PAG and the City of Tucson will be evaluating and determining which projects to fund in the Tucson UZA. PAG and ADOT will be evaluating and determining which projects to fund in the other related (rural and/or small urbanized) PAG region areas based on regional defined coordination needs.

Applications for mobility management projects in the MAG region, outside the Phoenix-Mesa UZA, should be included in the MAG regional coordination plan.

The following are examples of eligible Mobility Management projects. Note that projects other than mobility management staffing will generally only be considered for regions in which the mobility management function is underway and operating well.

- Mobility management staffing and related program costs. Costs can include salary, travel, printing and promotional materials, advertising and marketing, and website design.
- Professional services such as IT, web design, or consulting to assist in the planning and implementation of travel training programs, transportation brokerages, one-call centers, etc.

- Intelligent Transportation Systems (ITS) capital equipment costs for scheduling software and hardware, as well as support equipment such as Automatic Vehicle Locators (AVL), Geographic Information Systems (GIS) mapping, Geographic Positioning System (GPS) technology, and other IT (computers, radios) equipment for the purpose of developing or supporting joint scheduling and dispatch centers or one-call / one-click centers. Any request for this type of capital funding must be supported by an assessment of technology and equipment needed in the form of a documented planning study, etc.

CAPITAL EQUIPMENT

Examples of eligible capital equipment projects include:

- Vehicles* (see note and further information below)
- Fleet Maintenance Equipment
- Vehicle Equipment/Parts (Wheelchair Lifts and Restraints Bought Individually)
- Vehicle Rehabilitation, Manufacture, or Overhaul
- Operations and Maintenance Structures (Vehicle Shelters, Maintenance Structures)
- Radios and Communication Equipment, Computer Hardware/Software
- Transit Related Intelligent Transportation Systems (ITS)

While many types of capital can be requested under the Section 5310 program, ADOT's primary role for many years has been to replace or expand vehicle fleets. Vehicle replacements have been the primary funding request under the Section 5310 program. For FY 2013, ADOT will continue to prioritize vehicle requests above all other capital requests as long as those vehicle requests support coordinated regional efforts. Other capital requests will be considered but ADOT is not supportive of single radio or computer requests, unless that request is tied to a need for coordinated dispatch services.

Agencies can apply for software, hardware, computers, AVLs, etc. to either support a single agency's needs or to support a coordinated dispatch and scheduling effort. However, coordinated dispatch center equipment must be applied for under the mobility management section of the application and be supported by an assessment of the technology and equipment needed in the form of a documented planning study, etc.

Vehicle Requests

***Vehicle Note:** ADOT conducts 95% of the procurements for Section 5310 funded capital. Therefore vehicle types and sizes obtained through the Section 5310 program are usually predetermined by ADOT at the time of application.

Agencies can apply for a different type of vehicle outside of ADOT’s vehicle list, but the rationale for that vehicle type must be well supported by documentation of local, regional, and coordinated transportation needs. In addition, the agency must have the resources in place in order to procure this other type of vehicle and meet all FTA and State procurement guidelines. ADOT does not provide funding to purchase used vehicles or equipment, 15 passenger vans, standard pickup trucks or SUVs, or standard passenger cars. Vehicles must be able to transport individuals for the purpose of specialized transportation and not be used as staff support vehicles.

One important objective of mobility management is to improve the cost effectiveness of service delivery. “Right-sizing” the fleet is an important part of this goal. If the capital costs (and related operating costs, such as insurance) can be minimized, more funding can go to providing service. When requesting a vehicle for replacement or expansion, applicants should consider how many miles are accrued on each vehicle in a year. At the low end, vehicles should be used for at least 18,000 to 20,000 miles per year. This is in line with ADOT’s lien policy, which will remove ADOT funded vehicles from an agency’s service that are not averaging 18,000 to 20,000 miles per year. It is also important to consider peak hour needs as well as geographic coverage; how many vehicles are needed, and in what areas, to provide efficient service delivery; and how many accessible vehicles are needed to meet the needs of the community.

The types of vehicles ADOT procures and that agencies regularly apply for are:

- Maxivan With Lift - Raised-roof van with wheelchair lift, seats up to eight (8) ambulatory passengers and has 2 wheelchair (w/c) positions, (less ambulatory capacity with wheelchair occupancy);
- Cutaway With Lift - Raised-roof “body-on-chassis cutaway” with wheelchair lift, seats up to nine (9) ambulatory passengers and has 2 wheelchair positions (less ambulatory capacity with wheelchair occupancy);
- Minivan With Ramp: Minivan with one (1) wheelchair position and manual accessibility ramp, seats up to five (5) ambulatory passengers (less or no ambulatory capacity with wheelchair occupancy). Since this has limited seating, requests for this type of vehicle will reviewed on a case-by-case basis;
- Maxivan No Lift: A Twelve (12) passenger (including driver) standard van without a wheelchair lift; and

- Minivan No Ramp: A Seven (7) passenger (including driver) minivan without a wheelchair lift.

Vehicle brand and configuration will be determined by ADOT during the state's procurement process.

Vehicle Accessibility: Providing wheelchair and other mobility device accessibility to local areas is also a high priority under the Section 5310 Program, in order to meet the growing needs of individuals of all ages with mobility-impairments. However, applications for non-accessible vehicles will also be considered by ADOT if that type of vehicle best meets an agency's needs. However, in order to acquire a non-accessible vehicle, applicants must assure adequate ADA-compliant "Equivalent Service."

Equivalent service means that in order to obtain a non-accessible vehicle, an applicant must already have in its fleet, or under contract, regular, guaranteed availability of an ADA-compliant wheelchair-accessible vehicle, or vehicles, in reliable and safe operating condition, to serve the area targeted by the application, as well as qualified drivers to operate it. The agency must be able to provide accessible service on a scheduling and capacity basis that is equal to that provided by non-accessible vehicles. If equivalent service is by contract, the contractor must have a back-up plan in order to ensure that equivalent service is available.

Eligible Trip Purpose

Equipment provided through this program may be used for all trip purposes for seniors and disabled populations. This includes but is not limited to transportation of people to:

- Medical appointments
- Meals
- Social services and facilities
- Employment
- Rehabilitation services
- Shopping
- Recreational and social activities

Trip Purpose Exceptions:

- Vehicles and related equipment may not be used **primarily** for the delivery of meals to persons in their homes. Any meal delivery provided may only be incidental to the primary vehicle use of transporting people.

- The Section 5310 program is not intended to provide emergency medical transport or ambulance service on a regular basis.
- Section 5310 vehicles are also not to engage in regularly scheduled school bus service. Section 5310 subrecipients may operate multi-functional vehicles that meet the safety requirements for school transportation, but may not provide exclusive school service.
- Applicants are encouraged to coordinate their services with public transit operators, and others, especially when it supports the mobility of seniors and individuals with disabilities.

OPERATIONS

Eligibility for funding to support operating costs is a new category. The expanded eligibility provisions are a result of the consolidation of the Section 5317 program, which was repealed by the federal government, with the Section 5310 program. Agencies applying for funds to operate Section 5310 projects must work with their regional COG or MPO to make sure their project is included in and consistent with their region's Coordination Plan.

As stated previously, operating projects must be for public transportation services that address one of the following three purposes: exceed the requirements of the ADA; improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary ADA paratransit; or provide alternatives to public transportation that assist seniors and individuals with disabilities.

Under the new federal transportation law, Section 5310 funding spent on operating projects can be ***at maximum*** no more than 45% of the entire Section 5310 funding available in a given year. There is no federal requirement to spend any program funds on operating projects, only a ceiling of 45%. Until ADOT has experience with how far the available funds will stretch, awards for operating funds will be cautious. Regions in which operating funds are allocated must show that the vehicle fleets are in a state of good repair and that operations funding leverages the resources of other programs.

E. ELIGIBLE PROJECT EXPENSES

DIRECT COSTS

ADOT's policy is that the only eligible costs that can be applied for under both operating and mobility management projects must be considered ***direct*** project costs.

Direct costs are those expenses that can be associated on a one-to-one basis with a given service. Examples are driver wages, fuel, and maintenance costs. Many of the direct costs

of transportation are variable costs. Variable costs are those that **do** change with the amount of service provided. In Appendix B, there is an example list of eligible direct cost categories. Vehicle Operations costs are more than likely the bulk of the direct costs that will be applied for under the Section 5310 program. But please note that administrative costs, such as the time a bookkeeper spends directly working on the Section 5310 transportation project, can be included as a direct expense.

Indirect costs are those which cannot be associated on a one-to-one basis with a given transportation service. Some public transit systems, such as units of local government, or multi purpose nonprofit organizations, perform many departmental or program functions and would likely incur indirect expenses. In these cases, the expenditures benefit not only transit but also other programs and departments. The majority of these shared or indirect costs are administrative costs. These costs cover items such as planning, accounting, and legal services. Shared costs are generally fixed costs. Fixed costs are those that **do not** change with the amount of service provided.

ADOT **does not** allow agencies to apply and be reimbursed for costs that are considered shared or indirect. Indirect costs are normally charged to Federal grants by the use of an indirect cost rate and a cost allocation plan. ADOT does not want cost allocation plans submitted for any Section 5310 grant funds requested and does not allow indirect costs as an eligible expense.

ADOT does allow both operating and administrative costs to be considered as direct costs. Administrative costs can only be applied for if they are direct costs that support the transportation service or mobility management specific duties. Administrative costs that are considered indirect costs (not directly related to the transportation project or derived from a cost allocation plan) are not eligible expenses.

In the FY 2013 application, under each type of project request (e.g.: operating, mobility management), there is a line item budget that must be completed for each project to show what the costs of the project are and what FTA funds are being sought to reimburse. The applicant must provide costs for only the direct cost items that are eligible, which are shown in the budget provided in the application. If an administration cost is shared and an agency can **clearly** document through timesheets and other related documentation the amount of time spent on transit related activities, then this cost will be considered in the application for funding and reimbursement. There still has to be a direct one-to-one relationship with the shared administration cost for it to be eligible.

COST REIMBURSEMENT CRITERIA

To be allowable for reimbursement under the Coordinated Mobility Section 5310 Program, direct costs must also meet the following general criteria:

- Be necessary and reasonable for proper and efficient performance and administration of the project;
- Be an eligible expense;
- Be treated consistently. A cost may not be assigned to the grant as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to a grant as an indirect cost;
- Be determined in accordance with generally accepted accounting principles;
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior grant period;
- Be the net of all applicable credits; and
- Be adequately documented in a system generated financial summary, or Excel spreadsheet, accompanied by appropriate backup documentation (i.e. invoices, payroll, etc.), which identifies an expense amount, matching that shown on the invoice.

PART II. 2013 FUNDING AND APPLICATION REQUIREMENTS

A. OVERVIEW

Both federal and state guidelines for Section 5310 funds emphasize increased program management and accountability. The MAP-21 legislation provides a framework for this approach, with additional emphasis on maintaining vehicles in a state of good repair, using stronger performance measures, and continuing coordination activities in support of a strategic use of resources. As such, ADOT has revised its application and oversight process to increase the level of management and accountability on the part of the applicant.

B. FUNDING AVAILABILITY AND PRIORITIES

URBANIZED AREA FUNDING AVAILABILITY

MAP-21 has also changed the way funding is distributed and the level of funding that is available to the State for the Section 5310 Program. Along with allowing large urbanized areas to directly administer Section 5310 funds, MAP-21 also allocates a specific amount to those urbanized areas. Those funds are set aside specifically for those regions of the state to use based on their Coordination Plan priorities.

While the Phoenix-Mesa UZA will administer its own Section 5310 program, ADOT will still administer the Section 5310 program for the Tucson UZA. The Tucson UZA however, will be provided a specific amount of funding for projects and the PAG region will dictate how those funds are to be spent in line with its Coordination Plan goals and objectives. The amount provided to the Tucson UZA in FY 2013 for Section 5310 is approximately \$350,000 (**see note on continuing resolution funding availability below).

STATE FUNDING AVAILABILITY

ADOT uses two types of Section 5310 funding to support eligible projects, Section 5310 **Formula** funds and Section 5310 **STP** funds. Formula funds can be used for all eligible Section 5310 projects in both the rural and urbanized areas of the state. STP funds can only be used for capital equipment projects, such as vehicles, and *only* in the rural areas of the state.

For 5310 **Formula funds, the following amounts have been listed as the original Continuing Resolution federal apportionment for Arizona by federally designated census population area. The apportionment reflects about half of the typical annual allocation. In

March or April of 2013, a new Continuing Resolution is to be approved that authorizes Federal funding for the remainder of FY 2013. This Continuing Resolution funds transit formula programs at the authorized levels set in MAP-21. The FTA will need to appropriate these funds before they can be included in Arizona's apportionment. Therefore, ADOT is only basing funding awards on previously unspent FY 2012 funds and the current original Continuing Resolution FY 2013 apportionment.

- **Rural:** approximately \$300,000
- **Small Urban:** approximately \$400,000
- **5310 Reserve from FY 2012** (can be used in any region): approximately \$500,000

For FY 2013 5310 **STP** funds, approximately 1.5 to 2 million dollars is available for capital projects in the rural areas of the state.

In addition, ADOT has a relatively small reserve (approximately \$500,000) of 2012 5316 and 5317 funding that was not allocated to projects that is also available. ADOT plans to use these funds specifically to support any regional mobility manager projects across the state. These projects will be funded at a 90% federal, 10% local match ratio for the FY 2013 contract year to help agencies transition to new federal match levels.

POPULATION AREA DESIGNATIONS

Reference is made above to rural areas and large and small urbanized areas. The Census Bureau generally defines these population areas of the state as follows:

- A non-urbanized (rural) area is an area with a population under 50,000. This includes all areas outside of an urbanized area.
- A small-urbanized area (UZA) is an area with a population between 50,000 and 200,000. In Arizona, the small-urbanized areas are Avondale – Goodyear, Casa Grande, Flagstaff, Lake Havasu City, Prescott Valley – Prescott, Sierra Vista, and Yuma.
- A large UZA is an area with a population of over 200,000. In Arizona, the large UZAs are Phoenix - Mesa and Tucson.

There is a section in the online application that requires agencies to locate their primary area(s) of service via an ADOT map website link and to provide information as to what percentage of their service is located in either the non-urbanized, small-urbanized, or large-urbanized areas of the state. Because Section 5310 funding is now provided based on these designations, the information provided by the applicant is very important in order for ADOT to determine how best to allocate project funds by population designated service area.

STATE PRIORITIES

During the past two years, ADOT has begun to refocus the Coordinated Mobility Program to include a stronger emphasis on coordination of transportation activities both at the regional and state level.

In order to accomplish this, ADOT has invested in regional mobility managers. A regional mobility manager is responsible for building partnerships and consensus about how best to use available resources to improve mobility and access for persons requiring specialized transportation, (seniors and the disabled).

Along with the establishment of regional mobility managers, ADOT has developed the following five objectives as the guiding program management principles.

1. **Build a foundation of mobility management activities in ADOT's small urban and rural regions.** These activities should include:
 - Maintaining a regional mobility manager in each of the rural and small urban regions.
 - Establishing partnerships among human service agencies, transit providers, and other stakeholders.
 - Developing measures to report progress toward mobility management goals.
 - Administering a transportation coordination planning process that results in active and engaged Regional Coordinating Councils and a Coordination Plan that reflect goals, objectives, and activities in the region.
2. **Ensure information and referral is available in the region and its sub-regions.**
 - Information and referral refers primarily to developing resources and staff capacity to assist passengers in obtaining trips.
3. **Capital investment decisions are made within the mobility management framework.**
 - Within each region, procedures are to be in place to optimize the fleets of vehicles for service to seniors or individuals who have disabilities. This results in finding balance between fleets that are adequate enough to meet the peak requirements of service provision in the entire geographic area of a region and minimizing the

capital investment in vehicles and operating expense for insurance and maintenance.

- Replacement or expansion vehicles are selected based on the use of the vehicle, coordination with other providers, and maintaining the region's vehicles in a state of good repair.

4. Regional and sub-regional mobility management priorities have been established and strategies and projects are identified for achieving these priorities.

- Strategies may include maintaining existing service levels, supporting volunteer driver programs, travel training, advocacy for local transit services, etc.

5. Ensure that program subrecipients have the capacity to provide services and effectively manage their grant funds from a program and financial perspective.

Application questions and evaluation criteria are now designed to support these guiding principles. COG and MPO regions will be required to evaluate applications within this framework and funding decisions at the regional and state level will support mobility management activities, capital equipment, and service operations that best meet the state defined objectives for the Section 5310 program.

C. APPLICATION REQUIREMENTS

GRANTS MANAGEMENT SYSTEM

The application and subsequent documents used to manage grant funds are now being offered online through an electronic system called E-Grants: azdot.gov/egrants. Applicants must request and be provided login information by ADOT before accessing the E-Grants system. Once login information is provided, applicants must then create both organization and user profiles and submit application forms and documents using the system. *Hard copy applications will no longer be accepted.*

ADOT will be contacting existing grantee subrecipients as to how to obtain login information. Agencies should then begin setting up organizational profiles in the system. If your agency is not an existing grantee subrecipient, you will need to contact the Section 5310 Program Manager to request login information.

ADOT will be providing technical assistance in the form of webinars and written instruction to assist applicants in meeting new requirements.

Introductory webinars to explain E-Grant system requirements and how to use the system will be provided on April 3, 2013, and in more detail on Tuesday, April 9, 2013. Contact the Section 5310 Program Manager for more information on how to “attend” the webinars.

In addition, there is a user manual entitled “Section 5310 Application Instructions” that accompanies this guidebook. This set of instructions explains how to access, complete and submit the application in the system and provides step-by-step instructions.

There is also an E-Grants help desk available from 5:00 am to 5:00 pm (PST) to answer questions. The phone number and email address to contact the help desk are provided under the “Show Help” section on the E-Grant’s home page and is also provided below. If an applicant has a question after hours, the Help Desk returns all calls and emails immediately the following day.

- Phone: 1-800-820-1890
- Email: helpdesk@agatesoftware.com

APPLICATION PROCESS

Per the timeline provided in Section 1, ADOT releases this Guidebook and subsequent Application Instructions, along with the application forms available in the E-Grants system between April 1 and April 9, 2013. ADOT will also host two webinars to discuss program and E-Grant system requirements on April 3 and April 9, 2013. ADOT will not be sponsoring or attending regional workshops for the FY 2013 cycle. Regional COGs and MPOs may sponsor subsequent application workshops to discuss the Section 5310 program with interested applicants. Please contact your local COG or MPO for more information on potential workshops or information sessions.

Applicants must complete all required application and contract forms in the E-Grants system, as well as upload all required supporting documentation, by Friday, June 7th. Applicants will have approximately 60 days to complete the entire application process. During this time, applicants may contact either COG/MPO regional contacts or ADOT staff, listed in this document, for advice on particular program or application requirements.

APPLICATION REVIEW

After June 7th, regional COG/MPO staff will conduct an initial review of applications in their respective regions, reviewing application submissions for completeness and contacting applicants if any other basic requirements still need to be met.

Regional Review Committees are then organized at the COG/MPO level and utilized to evaluate applications and score applications according to the evaluation criteria contained in this document. It is important that the applicant refers to these criteria when answering the questions in the application.

Once evaluations are completed at the regional level, ADOT receives evaluation scores and priority project rankings from the COG/MPO, and finalizes awards by prioritizing applications within a statewide context based on funding availability. PAG region applicants that fall within the Tucson UZA will be funded based off of the evaluation decisions made by PAG and the City of Tucson solely.

PROJECT EVALUATION AND SELECTION

Applications will be considered for funding based on the evaluation and selection criteria provided in this section. Specific criteria guide the development of the Coordinated Mobility Program and are related to the federal and state goals defined for the Section 5310 program. In order to ensure fair and equitable distribution of FTA funds, the criteria listed are used as the basis for review and selection of applications for program funding.

Please note that the information submitted in the application as well as information documented in the region's coordination plan, and the applicant's previous performance using prior year's grant funds for a project (as appropriate), will all be considered when reviewing and prioritizing a funding request. This approach includes placing additional emphasis on accountability and program management on the part of the applicant in the evaluation process.

The final decision on project selection and funding will be made by ADOT, with the exception of applications under the Tucson UZA in which the final decision on project selection and funding will be made by the City of Tucson and PAG. ADOT retains sole discretion in determining which projects will be funded and the amount of funds awarded to any given project, except again in the Tucson UZA.

Project Threshold Criteria

Applications are first reviewed to ensure that all basic eligibility requirements are met. If an application does not meet basic threshold requirements, it may not be forwarded onto

the regional review committee for further evaluation and scoring. The threshold criteria are as follows:

- Application materials were submitted on time and complete.
- Applicant “attended” the mandatory ADOT Section 5310 program webinar.
- Applicant certified and verified agency eligibility requirements.
- Project(s) applied for are eligible projects per FTA guidelines.
- Project(s) applied for are consistent with, and listed in, the Regional Coordination Plan.

Project Evaluation Criteria

There are three main project evaluation criteria categories, with multiple subcategories and questions under each category, which the Regional Review Committee must evaluate to determine an overall score for a project application. The three main categories are:

- Project Management;
- Coordination; and
- Project Specific Criteria.

Under Project Specific Criteria, there are subcategories for each type of project, Mobility Management, Capital Equipment, and Operating. Each main category holds a specific percentage weight and combined they make up a total application project score (totaling 100%). Subcategories also are weighted and make up a category score total.

Note that the criteria reflect ADOT’s long-term vision, and ADOT realizes it may take some time before applicants score well under all of the criteria. The criteria is being implemented, with this thought in mind, in order to illustrate how agencies should improve projects, agency oversight activities, and subsequently competitive ranking over time.

In addition, some of the selection criteria include standards that must be met for continued funding. If these criteria are only partially met (e.g. in one part of region but not others) and an applicant is showing reasonable progress, justification can be provided for why funding should be continued. This information will be considered on a case-by-case basis.

The following is a general list of the evaluation categories and subcategories with weights and the evaluation focus of each category.

Project Management Criteria – 20%

- Current program subrecipients are on track to fulfill their ADOT Contractual Exhibit A scope requirements and submitting timely project progress reports.
- Current program subrecipients are submitting timely, complete, and accurate project reimbursement requests and expending funds during the contract period.
- New applicants have the staff, resources, and accounting systems necessary to manage federal funds.
- Applicants show the capacity to provide transportation service and properly maintain safety through appropriate driver training programs and well-maintained vehicles passing annual ADOT inspection.
- Applicants properly document the availability, source, and commitment of local match.

Coordination Criteria – 40%

- Participation in regional coordination activities.
- Board support for transportation coordination.
- Integration of coordination into transportation program activities through policies, budget, and staffing authorizations.
- Applicant's level of involvement in coordinating services or resources with other agencies.

Project Specific Criteria – 40%

Mobility Management

- Foundation for Mobility Management
- Information and Referral
- Capital Investment Decisions
- Regional and Sub-Regional Priorities

Capital Equipment

ADOT is transitioning to evaluation of vehicles based on regional management of resources with the ability to maintain the necessary fleet in a state of good repair. As

mobility management efforts progress, the region's ability to operate services with a minimum fleet size will result in more funds being available for other activities, including operating projects. In FY 2013, the primary change from prior years is that funds for expansion vehicles will be limited to regions showing expansions are necessary based on an evaluation of regional vehicle resources and that vehicle-sharing agreements are in place to maximize the use of existing vehicles.

Replacement Vehicles or Equipment:

- Age and/or Mileage
- Need Based on Maintaining Regional Fleet in a State of Good Repair
- Local Vehicle Availability
- Regional Resource Utilization

New/Expansion Service Vehicles or Equipment:

- Existing Fleet Capacity
- New/Expansion Service Needs
- Local Vehicle Availability
- Regional Resource Utilization

Operations

Existing Service:

- Documentation of Need and Project Benefits
- Project Effectiveness and Performance Indicators
- Financial Hardship, Project Budget, Project Sustainability
- Ability to Leverage Other Program Resources

New/Expansion Service:

- Documentation of Need and Project Benefits
- Service Implementation Plan
- Project Effectiveness and Performance Indicators

- Financial Hardship, Project Budget, Project Sustainability
- Ability to Leverage Other Program Resources

AWARD AND APPEAL PROCESS

ADOT will notify all applicants in writing of final funding decisions made for FY 2013 grants. This notification will come by formal letter and a list of ranked projects by priority and by region.

Applications submitted for FY 2013 FTA funds will be awarded and contracted for Federal Fiscal Year 2014 (October 2013 through September 2014), with a project and contract start date of October 1, 2013.

Applicants may appeal the ADOT MPD funding recommendations. Appeals can be made for one of three reasons: 1) The award does not accurately reflect the application submitted and/or regional coordination priorities; 2) ADOT or the COG/MPO overlooked vital information during the review process; and 3) Agency eligibility requirements.

In order to submit an appeal based on one of the first two reasons, the applicant must submit an appeal form stating the issue and also submit appropriate documentation or verification as to what information in the application or regional coordination plan was either overlooked or misrepresented.

With respect to the third reason, agency eligibility requirements, a governmental authority may have been awarded funds to provide a service that either can be or is already being provided by a nonprofit organization in the same service area and there is perceived competition for the same service. The nonprofit organization can appeal this decision and provide information as to what services are being duplicated.

The applicant must use the following process in order for its appeal to be recognized as valid.

- Complete an appeal form in the E-Grants system and clearly identify the project description, grounds for appeal, and what rectification is being sought.
- Attach any supporting documentation to substantiate the appeal.
- Submit the appeal form and supporting documentation in the E-Grants system by October 15, 2013.

The Section 5310 Program Manager will review the appeal and notify the applicant in the system of his/her decision by November 1, 2013.

If the applicant is not satisfied with the Program Manager's response, the appeal may be forwarded to the ADOT Multimodal Planning Transit Programs Director through the E-Grants system. This appeal must be submitted by November 15, 2013. The Multimodal Planning Transit Programs Director will then provide a written response to the applicant within 30 days of receipt of the appeal.

D. LOCAL MATCH REQUIREMENTS

CAPITAL

Capital projects funded under the Coordinated Mobility Program utilize a local match ratio of 20% of the final invoice for all projects, including Mobility Management. An additional TBD (in past years 2 - 2.5%) administrative fee will be added for capital equipment procurements conducted by ADOT on behalf of the subrecipient.

All **capital equipment** project local match funds must be in **cash**. This includes all scheduling software related mobility management capital expenses. It is important to note that local match for capital equipment procurements conducted by ADOT on behalf of the subrecipient (usually all vehicles) must be in monetary form, such as an agency check or Cashiers Check, and submitted to ADOT, along with the administrative fee amount determined, at the time the Exhibit A portion of the contract is signed.

Mobility Management local match share can be either in cash **or** in-kind resources. Assurance of the availability of dedicated local funds in the form of cash match or in-kind resources is required at the time of application.

OPERATIONS

Projects funded under the Coordinated Mobility Program utilize a local match ratio of 50% for **operating** expenses. The federal share, which is also at a 50% ratio, cannot exceed 50% of the *total net operating deficit* of the service, which is defined as total operating expenses minus operating revenues (e.g., fares, donations).

For operating projects, the net operating expenses are the basis for funding assistance. Net operating expenses are what remain after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues must include farebox revenue.

To identify the net operating expense, the following equation must be used.

Total operating expenses (minus) unallowable expenses (minus) farebox and other operating revenue = Net Operating Expenses.

Unallowable expenses include indirect cost expenses tied to cost allocation plans that ADOT does not allow reimbursement for.

Operating local match share can be either in cash ***or*** in-kind resources. Assurance of the availability of dedicated local funds in the form of cash match or in-kind resources is required at the time of application.

More information on sources of local match and the requirements involved with submitting in-kind as local match are described in greater detail below.

LOCAL MATCH SOURCES

Cash Revenue

Although revenue (income) can be used as local match, not all types of revenue can be used as local match. As described above, farebox or donation revenue from passengers to ride the service is not eligible local match revenue.

Revenue Overview

There are four major categories of revenue for transportation services:

- Fares
- Agency Contracts
- Grants and Other Governmental Payments
- Other Sources

Fares

Farebox revenue includes fares paid by passengers, pre-paid fare media used by passengers including multi-ride passes and tokens, route guarantees, pre-paid passes or other fare media purchased by a human service agency for distribution to its clients, and user-side subsidy arrangements.

Farebox revenues do not include payments made to the transit provider by human service agencies under the terms of a purchase of service agreement or agency contract.

Agency Contracts

Contract revenues are monies received from an entity (such as a human service agency, a hospital or medical plan, or a business) that contracts with a transit system to provide

transportation for the passengers specified by the agency. Transit agencies may be involved with many contracts, generally lasting for one year and negotiated annually.

Non-Eligible Cash Revenue as Local Match

- Fare revenue **cannot** be used as local match.
- Federal DOT program funds, including Section 5311 funds, also **cannot** be used as local match.

Eligible Cash Revenue as Local Match

The following categories of income **can** be used as local match:

- Local government appropriations;
- Local dedicated tax revenues;
- Private donations;
- Net income generated from advertising and concessions;
- *Agency contracts such as human service program funding; and
- **Non-DOT federal funds.

*Funds received by agencies for service agreements (agency contracts) with a state, local social service agency, or a private social service organization may be treated as local rather than federal funds, even though the original source of such funds may have been another Federal program and these funds can be used as local match.

Section 5310 subrecipients have the option of treating income from contracts to provide human service transportation to either: 1) reduce their net project cost or to 2) provide local match for Section 5310 operating assistance. The manner in which an agency applies income from these contracts affects the calculation of net operating expenses and, therefore, the amount of Section 5310 operating assistance the agency is eligible to receive.

**Below are examples of Non-DOT federal program funds that can be used as local match.

U.S. Department of Health and Human Services	<ul style="list-style-type: none"> ○ Community Services Block Grant ○ Head Start ○ Older Americans Act Title III ○ Temporary Assistance to Needy Families (TANF)
U.S. Department of Labor	<ul style="list-style-type: none"> ○ Retired Senior Volunteer Program (RSVP) ○ Senior Companions
U.S. Department of Interior – Bureau of Indian Affairs	<ul style="list-style-type: none"> ○ Indian Reservation Roads Program
U.S. Department of Housing and Urban Development	<ul style="list-style-type: none"> ○ Community Development Block Grant

Non-Cash (In-Kind) Revenue

Non-cash, or in-kind, match, such as donated goods and volunteer services may be used toward the local match **only** if the applicant formally documents and can verify determination of the value of each non-cash match amount. Any non-cash match must represent a cost that would be eligible under the project, cannot be used to match another Federal grant, and must be applicable to the grant period to which the cost is applied.

At the time of application, applicants are required to provide two budgets, a FY 2012 agency budget and a FY 2013 project(s) budget. Both budgets require identification and explanation of local match sources, to include in-kind match sources.

In-Kind Match Valuation Proposal

If in-kind revenue sources are listed as match for a FY 2013 application project budget, the applicant is required to submit, in addition to the application, an ***In-Kind Match Valuation Proposal***. This is formal documentation of how the value(s) of the in-kind match was determined. ADOT is providing a form, in Appendix C, to complete and attach to the application for **every** third party contributed in-kind good or service listed as in-kind match in the application's project budget.

The **In-Kind Match Valuation Proposal** must only include goods and services donated for the project that represent eligible grant activities. For each third party good or service, the applicant must list the:

- Donor name;
- Item(s) or service(s) donated;
- Identification if the item donated is a “good” or “service”;
- Fair market value (FMV).
- How the fair market value was determined. (See below for information how to determine FMV.)

The **In-Kind Match Valuation Proposal** will need to provide necessary rationale and back-up documentation to show how costs are determined. Back-up documentation for goods and services should include donation receipts stating the donor, the item donated, and its fair market value. Volunteer time should include time cards and be charged at either the prevailing wage or the wage rate paid to an employee performing similar duties.

Please note: In-kind match must come directly from an outside third-party source, i.e.: **not** from the applying agency.

In-kind match should not be confused with indirect or overhead costs associated with the agency providing transportation service. In-kind match are not costs from within the agency that are shared amongst different departments or individuals doing multiple tasks. In-kind match is donated time or items coming from a third party contributor not involved with the agency in a paid manner.

Services provided by an applicant’s staff, regardless of their duty status, are valued at the actual cost to the agency *for cash match* and these costs and are not considered in-kind contributions.

Determining Fair Market Value (FMV)

There are multiple ways to determine the FMV of donated goods or services. This guidance is based on the Code of Federal Regulations, Title 49 Section 18.24, *Match or Cost Sharing*, which is the U.S. Department of Transportation’s regulations for match, in-kind match, and cost sharing.

For Donated Services:

Volunteers - Unpaid services provided to an applicant by an individual are valued at the pay for similar work in the applicant’s organization. Request a valuation by your personnel staff of the job or, if the job is foreign to your agency, use minimum wage or seek private market value of the work. There are websites that provide state values for

volunteer time, one such site is: [independentsector.org/volunteer time](http://independentsector.org/volunteer-time) A reasonable amount may be included for fringe benefits.

Employees of other organizations - When another organization furnishes, free of charge, the services of an employee in that employee's line of work, the services are valued at the employee's regular rate of pay exclusive of fringe benefits and overhead costs. If the services are in another line of work, then the value is calculated in the same manner as that for volunteers.

For Donated Use of Equipment/Space/Property (Title is retained by the donor):

Equipment or space - Equipment or space is valued at its fair market rental rate. State motor pool rates may be used for vehicles and rolling stock.

Land - If only the use of the land is required, and ownership is not necessary for grant purposes, then fair market rental of the land is used as the in-kind match.

For Donated Supplies/Equipment/Real Property (Title passes to the Applicant):

Supplies - Supplies are valued at their market value at the time of donation.

Equipment and buildings - The fair market value of equipment and buildings at the time of donation may be used for in-kind match.

Land or Buildings - If fee title ownership of land is necessary for the accomplishment of grant purposes, the appraised market value of the land may be counted as match.

FMV Examples

Below are examples of how to estimate and document the value of in-kind match.

Equipment/Goods: A 2010 Dodge Caravan with 30,000 miles is donated to Agency X, a nonprofit organization that provides rides for their grant-funded specialized senior transportation program. Using Kelly Blue Book or a National Auto Dealership of America (NADA) Used Car Value Guide, both of which can be located on the Internet, determines the fair market value (FMV) of the donated van.

The condition of the van is considered Good; therefore, the value of the van via Kelley Blue Book is \$15,700.

Services: Maria Smith, an attorney who normally charges \$160 per billable hour, donates her services to Agency X. If she provides 10 hours of legal services, the in-kind market value would be \$1,600 (10 hours @ \$160/hour).

On occasion, Maria Smith volunteers her time to drive Agency X clients to appointments. In this case, the fair market value is based on the rate the agency pays its employed drivers. It is not her normal billable rate as an attorney. If the drivers' hourly rate is \$12.50/hour and she spends 4 hours driving for the agency, the in-kind value is \$50 (4 hours @ \$12.50/hour).

E. APPLICANT RESPONSIBILITIES

There are other requirements an applicant is responsible for, in addition to the basic eligibility and application requirements, in order to successfully receive and manage FTA Section 5310 grant funds. These additional requirements stem from the new federal transportation legislation, MAP-21, as well as a strengthened project coordination and oversight focus by ADOT.

COORDINATION ACTIVITIES

Coordination with other transportation providers is a key requirement of the Coordinated Mobility Section 5310 program. In order to be awarded grant assistance, successful applicants must be included in the Regional Coordination Plan for their area and must participate in local and/or regional efforts to coordinate transportation services and manage mobility. The objective of these coordination efforts is to make the best use of transportation resources in Arizona.

Local coordination efforts will vary by region, but all will be guided by the coordinated planning process carried out by the regional COG or MPO. As part of this process, local or regional coordinating councils are established in each region, and participation on these committees is a requirement of all subrecipients.

Applicants are expected to not only participate in meetings but to actively participate in mobility management efforts and to coordinate with other agencies. This can take on many forms including: sharing information and referrals; joint training; and sharing of maintenance facilities, insurance, drivers, and even vehicles. One of the primary objectives of mobility management activities is for agencies within a region or subregion to work together to identify how to make the best use of scarce operating and capital resources. This is a significant change from the past when applicants identified their program needs and submitted applications independently, without regard for other resources or needs in the region.

Applicants and existing subrecipients for capital equipment such as vehicles should be aware that they need to participate in activities related to their region's coordination plan even if they are not applying for grant assistance for a particular year(s) **and** as long as they have a vehicle(s) on lien or other Coordinated Mobility Program(s) grant assistance

that is still active. In addition, subrecipients are encouraged to continue to participate regardless of their status (i.e., even when vehicles are past their lien requirements), especially if this agency is still providing the same or similar special needs transportation (or are partners with others that provide this service for them). In addition, the regional transportation coordination plans are not intended just for ADOT subrecipients, and therefore should not be viewed as just an ADOT function, but are for *all* public and human service transportation agencies and their partners, including private-for-profit providers.

Applicants for ongoing mobility manager funding are expected to both lead the region's mobility management and coordination efforts but to also show that they have substantially met the scope of work defined for their program, showing progress in meeting mobility management objectives.

PROJECT MANAGEMENT

The applicant must demonstrate its ability to successfully manage its existing or proposed Section 5310 project, meeting both ADOT requirements and those of the FTA. Successful project management means being able to meet federal and state requirements for appropriate 1) *financial management* of project funds, 2) *asset management* of capital equipment, and 3) *safe provision* of transportation service, with related appropriate training of drivers and staff.

Financial Management

ADOT requires financial accountability. Applicants must be able to submit appropriate and accurate documentation to support project budgets during the application process and subsequently after the project is funded and reimbursement of grant funds are being sought. Financial management means to have strong systems in place to use, and account for, grant funds properly. For existing applicants, this includes being in good standing with ADOT, with a history of successfully receiving and managing grant funds; and completing the scope of work for each project with submission of timely progress reports.

There are six fundamentals to a good financial system:

- **Financial Reports** that completely disclose all allowable expenses.
- **Accounting Records** that can easily track day-to-day expenses and revenue.
- **Internal Control** that ensures assets are used for authorized purposes only.
- **Budget Control** that ensures expenses are in line with the original budget and budgets are tied to agency performance measures.

- Agencies only submit reimbursements for **Allowable Costs** as defined by the federal government.
- Agencies support accounting records with **Source Documentation**, such as cancelled checks, paid bills, and timesheets.

In order to maintain a strong financial management system, the applicant must develop strong internal controls for accounting and compliance with grant terms and conditions in order to demonstrate that funds are expended for eligible and allocable activities. The applicant should also be able to track receipts, disbursements, assets, liabilities, and balances and track and report program income. Internal control procedures should address the following: cash management, fixed assets, procurement, accounts payable, payroll, overhead, budget controls, grants management, project management and information technology.

Asset Management – State of Good Repair

Federal Focus

In recent years, FTA has put a greater emphasis on grant recipients keeping vehicle fleets and related transit equipment and facilities in a “State of Good Repair.” This can be accomplished through Transit Asset Management.

In general, State of Good Repair is the ability to maintain assets in a condition in which they perform well. For example, if a vehicle is older than its intended useful life, has high mileage, and is breaking down frequently, costing the agency a significant amount of unbudgeted funds to maintain and continue use of the vehicle, then that vehicle would not be in a state of good repair.

Transit Asset Management is a strategic and systematic approach to managing physical assets. Assets are considered physical equipment and infrastructure owned by a transit agency, including software. Asset Management focuses on the processes for allocating and using resources, with the objective of better decision-making based upon quality information and well-defined objectives.

Through MAP-21, FTA is required to implement an asset management system with policies and procedures that move towards determining how to best restore and replace aging transportation infrastructure. FTA is tasked with defining “state of good repair” and creating objective standards for measuring the condition of capital assets, including equipment, rolling stock, infrastructure, and facilities. All FTA recipients will then be required to set performance targets and report on the progress towards meeting those targets. Once a final rule defining state of good repair is adopted, FTA recipients will be required to develop transit asset management plans. At this point it is not known what

will occur at the state or regional level. However, ADOT will be focusing on the maintenance of transit assets and subrecipients should anticipate participating in such efforts.

Once FTA provides further guidance on State of Good Repair and Asset Management, ADOT will begin to assist applicants and subrecipients with meeting new FTA requirements.

State Focus

ADOT has required subrecipients to maintain vehicles at an optimal level for many years through the ADOT annual vehicle inspection. All vehicles purchased with Coordinated Mobility Program grant funding must be regularly maintained and serviced in order to provide safe operations. Subrecipients must document routine maintenance including but not limited to oil/fluid changes, tire condition, wheelchair lift inspections (if applicable), and maintain all aspects of the vehicle in accordance with the manufacturers' recommended maintenance standards.

If awarded a vehicle, not only are applicants required to maintain that vehicle, but the applicant is also required to take the vehicle to an ADOT location for annual inspection. During that inspection, ADOT determines if the vehicle is being maintained at an optimal level. If not, ADOT has the right to ground the vehicle until it is properly repaired and/or subsequently move the vehicle out of service if the agency neglects its responsibilities. ADOT sees this important oversight activity as a first step in building on the new FTA initiative to promote vehicle fleets in a state of good repair statewide.

In addition, ADOT strongly supports the State of Good Repair and Asset Management federal initiative by incorporating the concept of State of Good Repair at a regional level by determining appropriate fleet levels and how to achieve those fleet levels through coordination and mobility management activities. FY 2013 applications for vehicles will be reviewed taking into consideration how vehicle fleets are being managed at the regional level, what vehicles need to be replaced in order to keep both local and regional fleets in optimum working order, and what assistance can be provided at both the state and regional level to assist applicants in maintaining vehicle fleets in a state of good repair.

Safety & Training

Federal Focus

MAP-21 places a stronger focus on safety and requires FTA recipients, among other safety requirements, to develop comprehensive agency safety plans that at a minimum include methods for identifying and evaluating safety risks, strategies to minimize exposure to hazards and unsafe conditions, and performance targets for safety performance criteria.

Agency safety plans also will need to identify an adequately trained safety officer who reports directly to the subrecipient's chief executive and provides a comprehensive staff training program for operations personnel and personnel directly responsible for safety. The staff training program must include completion of a safety training program and continuing safety education and training.

Once FTA provides further guidance on the new Safety Plan requirements, ADOT will begin to assist applicants and subrecipients in meeting these requirements.

State Focus

A commitment to operating safe services is a core requirement of the Coordinated Mobility Program. Drivers must be trained to proficiency not only in the safe operations of vehicles and equipment but also in how to assist and relate to passengers with special needs.

All drivers and other safety-sensitive personnel operating vehicles or equipment must be trained to proficiency including, but not limited to, the following:

- Defensive driving techniques;
- ADA accommodations/wheelchair securement and passenger sensitivity;
- Emergency evacuation; and
- Basic first aid/CPR.

ADOT's MPD Training Coordinator is available to assist subrecipients with training needs, whether it be setting up specific ADOT-sponsored training locally, or providing other resources. Please refer to the ADOT RTAP website for resources to assist in providing this training.

PERFORMANCE REPORTING

Applicants will have various reporting requirements required of them if awarded project funds. For example, the federal government requires information to be supplied by the state DOT on each of its subrecipients annually in regards to service performance. Previous federal performance measure requirements included reporting the number of trips provided in a given year and the service area those trips were provided in. MAP-21 alters performance measure reporting requirements and ADOT will communicate the new requirements with subrecipients when FTA finalizes those requirements.

If awarded funds, applicants must also submit quarterly performance measure information to ADOT in the form of quarterly progress reports. These will be submitted

along with grant reimbursement requests. Progress report information on quarterly scope accomplishments will also be required, especially for mobility management projects.

ADDITIONAL REQUIREMENTS

Limitation of out-of-country and out-of-state travel

No ADOT-funded vehicle or other capital asset may be taken across an international boundary without prior written ADOT approval. Cross-state boundary travel is permitted as long as it is consistent with the objectives of the Coordinated Mobility Program.

Charging fares for senior and disabled transportation services

Fares may be charged for senior and disabled transportation services as long as the fares do not exceed those required to operate service. In determining fair and reasonable charges, service providers should keep in mind the primary end-user/clientele group utilizing the services and their income status. The operator may require fares that exceed the “normal” fare if it is providing general public service to others outside the core end-user group.

SECTION III. PROGRAM ADMINISTRATION

PART I. STATE OVERSIGHT

The following is an overview of the policies and procedures ADOT has implemented in order to ensure awarded grant funds are being used in accordance with federal and state requirements.

A. CONTRACTS WITH ADOT

Each successful applicant is provided funds through a grant contract agreement with ADOT that has specific terms and conditions. The Agreement: identifies the responsibilities of ADOT and the subrecipient; lists the performance expectations and contract deliverables; and includes all Federal requirements. This Agreement is entered into at the time of application. By signing the contract at the time of application, the applicant is committing to a legal binding Agreement with ADOT if awarded funding.

A final budget and scope commitment, after the application and contract documents are submitted and award is made by ADOT, is documented in the form of an Exhibit A. This Exhibit is then sent to the applicant for signature and is required to be signed by both ADOT and the subrecipient before the contract is valid. Once completed, subrecipients can start billing for expenses under their contract. Agencies with an umbrella organization and various satellite service locations across the state should be aware that ADOT only issues one contract to the umbrella organization. The Exhibit A will then list all projects awarded by satellite location and region.

The target timeframe for contracts to be effective is from October 1 to September 30 each year, consistent with the Federal fiscal year. The ultimate date(s) of contract eligibility will be identified in Exhibit A and costs can be reimbursed for up to 12 months after the effective date. Any costs submitted for reimbursement before the eligibility dates stated in Exhibit A are ineligible. The final invoice for expense reimbursement can be submitted up to 45 days after the Agreement end date.

Approved subrecipients are responsible for all expenses incurred prior to the eligible date established in Exhibit A. No Federal funds will be available until the contract is executed.

B. EXPENSE REIMBURSEMENT

For operations and mobility management expenses, subrecipients must invoice ADOT on a Quarterly basis. Invoice and Summary/Progress Report forms will be provided by ADOT

to each subrecipient for this purpose. Detailed back-up documentation must be included for each invoice submitted and no other reporting forms will be accepted.

In-kind expenses submitted to meet local match eligibility requirements must be documented in a format so ADOT can easily determine cost eligibility. This documentation must be in line with the In-Kind Match Valuation Proposal submitted at the time of application. Sample forms are provided in Appendix D for tracking in-kind match costs on a monthly basis and submitting to ADOT for reimbursement.

C. PERFORMANCE AND PROGRESS REPORTS

OPERATING AND MOBILITY MANAGEMENT PROJECTS

For subrecipients receiving operating funds, along with the Invoice Form for expense reimbursement, a Summary/Progress Report form must be submitted to ADOT. This form describes the services provided and the progress made relative to the application's stated objectives and contract Exhibit A scope of work. Reporting will be completed on a template provided by ADOT.

Performance measurement data will also be required along with the progress report. At this time, the specific performance measures required by the FTA through MAP-21 have not yet been identified. ADOT will make subrecipients aware of the required updated performance measure data once the FTA defines it.

CAPITAL EQUIPMENT PROJECTS

For subrecipients receiving capital equipment such as vehicles, either a quarterly or annual performance measure data report will be requested. The report will ask for information such as the number of one-way passenger trips, service miles provided, the types of clients served, and the geographic areas covered using a vehicle purchased with Coordinated Mobility Program funding.

D. PROCUREMENT

ADOT conducts the procurement for most vehicle purchases. Subrecipients should be aware that for any specialized vehicles awarded and other types of equipment not normally procured by ADOT, the subrecipient must qualify for and utilize the ADOT Section 5311 program's Capital Procurement Handbook. The Capital Procurement Handbook provides the framework for purchases outside the ADOT direct procurement system. The Handbook is available online at azdot.gov under Planning and Transit, Transit Programs and Grants.

Applicants who procure equipment on their own must comply with all steps associated with major capital procurements, including, but not limited to, selecting an appropriate method of solicitation, advertisement, conducting a federally approved bidding process, contracting, and obtaining appropriate federal Buy America, Bus Testing, Lobbying and Debarment certifications.

Subrecipients are advised to contact the ADOT Section 5310 Program Manager **prior to** engaging in any procurement activity, **as all** procurements require final ADOT approval. Reimbursement of capital expenses may not be provided if the procurement method and process was not approved in advance by ADOT.

Although every attempt is made to procure and deliver vehicles within one calendar year of the ADOT submittal of a statewide application to the FTA, longer periods are not uncommon. Process timing is highly subject to invitation-for-bid and delivery schedules, ADOT staffing, and industry manufacturing cycles and inventories.

E. ASSET MANAGEMENT

VEHICLE TITLE AND LIEN

ADOT, in conjunction with vehicle vendors (dealers), conducts all vehicle title and registration activities for the subrecipient as a part of the ADOT led procurement process. To allow ADOT to act on behalf of the subrecipient for these transactions, a signed Power of Attorney form may be requested at the time of vehicle delivery to complete the process. The Power of Attorney form is used exclusively for titling and registering vehicles awarded through the Section 5310 program. A signed Power of Attorney form is no longer required at the time of application.

In order to ensure proper use of grant funded equipment throughout its useful life, ADOT holds a first lien on all equipment in the amount of the federal share of the equipment cost. The lien extends through the useful life of the capital equipment, until the remaining asset value is less than \$5,000. For vehicles, the lien will remain in effect for 100,000 miles.

For subrecipient planning purposes, ADOT conducted an analysis of how long the various vehicle types ADOT procures should remain on lien based on: 1) the cost of the vehicle, 2) the amount of time FTA designates for “useful life” (4 years for minivans, maxivans, and trucks; 5 years for cutaways), and 3) a subtraction of the \$5,000 threshold that FTA designates as the useful life threshold. Based on this analysis, vehicles procured under the Section 5310 program should be considered under “useful life” and on lien as identified below.

- Cutaway with Lift: 4.5 years

- Maxivan With Lift: 4 years
- Minivan With Ramp: 3.5 years
- Suburban or SUV: 3.5 years
- Minivan No Ramp: 3.25 years
- Maxivan No Lift: 3.25 years
- Crew Cab Trucks: 3.25 years

Subrecipients should use the above guidelines to estimate how long it will take each vehicle type to reach 100,000 miles and be released off lien.

Vehicles will be released off lien at 100,000 miles. The lien release will occur at the time of ADOT annual inspection when ADOT Equipment Services is provided with the mileage for the vehicle in question. Vehicles can be released off lien if they are at 90,000 miles and above since liens are only released once a year. The only reason that a vehicle at or near 100,000 miles would not be immediately released off lien is in the case of an inspection failure. If the vehicle fails ADOT's annual inspection, the subrecipient will have to resolve the failure issues before the vehicle lien is released.

Subrecipients should **not** have vehicles on lien past the number of years stated in the useful life year guidelines identified above. Therefore, at annual inspection, if a vehicle has been used for less than:

- 20,000 miles a year for minivans, maxivans, trucks, SUVs, etc.
- 18,000 miles a year for cutaways

ADOT Equipment Services will notify the Section 5310 Program Manager and the subrecipient will be scheduled for an immediate site visit or desk review.

During the site visit or desk review, service records for the vehicle in question will be examined to determine whether there has been appropriate use of the vehicle. If the site visit or desk review shows the vehicle has been underutilized by the subrecipient (either in service type or time in service), ADOT has the right to remove the vehicle from the subrecipient and transfer it to another agency that can use the vehicle. This may include moving the vehicle into a regional pool or shared vehicle situation based on regional coordination and mobility management needs.

If a transfer occurs due to underutilization, the subrecipient's future vehicle funding requests will be highly scrutinized and may not be funded based on past performance.

This revised lien policy and procedure goes into effect with all 2010 funded vehicles and forward. All 2009 funded vehicles, currently under ADOT lien, will automatically be released by ADOT in November or December of 2013.

INSURANCE REQUIREMENTS

Minimum Required Insurance Coverage

Subrecipients are responsible for acquiring and maintaining current, appropriate insurance on their vehicles and other large capital equipment assets while under ADOT lien. In addition, ADOT must be listed as the *loss payee* and *additional insured* when ADOT is either listed as the vehicle owner or lien holder.

Subrecipients must maintain adequate property and liability insurance coverage. The current minimum requirement for automobile liability insurance is based on vehicle size, as shown below:

VEHICLE SEATING CAPACITY	LEVEL OF INSURANCE COVERAGE
Carrying less than 4 passengers	Combined Single Limit (CSL) of \$1,000,000
Carrying less than 9 but more than 4 passengers	Combined Single Limit (CSL) of \$2,000,000
Carrying 9 or more passengers	Combined Single Limit (CSL) of \$5,000,000

In addition, subrecipients must maintain collision and comprehensive insurance coverage for the Fair Market Replacement Value of each vehicle under lien. The deductible for this coverage should not exceed \$5,000.

****Subrecipients must ensure and be able to document that up-to-date insurance is obtained and on file. This information must be readily available for review by ADOT and its auditors. A current insurance card must also be located in vehicles at all times.**

ADOT Verification of Coverage

As part of the title and registration process, a Certificate of Insurance will be requested from the subrecipient prior to taking delivery of a vehicle(s). When submitting the insurance certificate, make sure to include the appropriate contract number and project description. In addition, a current copy of the Certificate must be submitted at the time of Annual Vehicle Inspection. A breakout of coverage, effective insurance dates, and ADOT

being listed as Additional Insured/Loss Payee and lien holder is verified by ADOT at the time of submission.

Insurance carriers will be required to submit ongoing Certificate of Insurance renewals and cancellation notices on behalf of the subrecipient via the new E-Grants system, although the process for submission of these documents has yet to be finalized. Therefore, currently all renewal certificates and cancellation notices are to be submitted by email to minscertificate@azdot.gov

ADOT should be provided with thirty days written notice of any changes to a subrecipient's insurance coverage.

VEHICLE MAINTENANCE

Subrecipients must maintain all project equipment at a high level of cleanliness, safety, and mechanical soundness. As evidence that required maintenance has been performed, subrecipients are required to document all vehicle maintenance activities in a format that is readily available and which includes copies of purchase orders, invoices, etc..

Vehicles must be maintained based on the manufacturer's suggested maintenance guidelines. Each subrecipient must establish a maintenance program that, at a minimum, meets those recommendations. ADOT has the right and obligation to review the subrecipient's maintenance and safety programs and to conduct periodic inspections of equipment and facilities funded with federal funds administered by ADOT.

Prior to vehicles being placed in revenue service, ADOT also requires that subrecipients have in place a pre-trip/post-trip inspection program to ensure that safety and operational standards are consistently met for each system vehicle, including all vehicle accessibility features. ADOT requires that daily pre-trip/post-trip inspections be documented and included as part of the permanent file for each vehicle funded by the Coordinated Mobility Program.

There are additional ADA specific maintenance guidelines subrecipients are also required to meet. Those are outlined in detail in Part II, Federal Requirements, Subsection C, Civil Rights.

ANNUAL VEHICLE INSPECTION

Central to the management responsibilities a subrecipient undertakes when awarded a vehicle is the commitment to comply with required annual vehicle inspections. ADOT's Equipment Services Division (EQS) staff statewide conducts annual vehicle inspections. For each vehicle, an appointment for the inspection will be made by EQS and an email will

be sent to the subrecipient as notification. Annual vehicle inspections are a requirement throughout the entire useful life and lien period of the vehicle.

When a vehicle is brought in for an inspection, EQS staff inspects the vehicle and completes an annual inspection form. A sample form is provided in Appendix E. Inspections use a pass/fail system. Once the inspection is complete, the agency's driver or representative must sign the form to formally agree to the inspection results. If the vehicle fails inspection, EQS immediately contacts the Section 5310 Program Manager by email with information on the vehicle that failed and with a corresponding work order detailing the failure(s) and needed repair(s). According to Federal inspection criteria, if there is a failure with the brakes, HVAC system, safety equipment, wheelchair lift, or the tires; the vehicle cannot transport passengers until the shortcomings are addressed.

The Section 5310 Program Manager, then notifies the subrecipient of the failure by both letter and email including the comments regarding failure from EQS. The letter provided to the subrecipient is a standard cure letter stating the vehicle is not to be operated until the vehicle repair(s) is completed and that the subrecipient has 30 business days to complete the repairs and send back up documentation to verify the repair has been completed by a certified mechanic. Documentation is to be sent to EQS via email.

Upon receipt of the subrecipient's repair documentation, EQS will review the documentation for compliance. EQS then notifies the Section 5310 Program Manager as to the status of repair compliance.

If the repaired vehicle passes inspection, the Section 5310 Program Manager will send the subrecipient notification and the matter is closed.

If the vehicle continues to not pass inspection, EQS will call the subrecipient and discuss what is needed in order to complete the repair.

Conversely, if in 30 business days, ADOT has not received the repair documentation from the subrecipient, the Section 5310 Program Manager will contact the subrecipient by letter stating the consequences of non-compliance and providing 10 additional business days to complete the repair and send verification via email. Consequences for non-compliance include:

- Permanently removing the vehicle from service; and
- Removing the vehicle from the subrecipient's fleet, making the necessary repairs, and relocating the vehicle to another subrecipient agency.

VEHICLE INVENTORY MANAGEMENT

ADOT manages an inventory of vehicle information for all vehicles funded under the Coordinated Mobility Program. This asset management system promotes proper vehicle maintenance and use and identifies problems or issues related to fleet defects or improper vehicle management.

ACCIDENT REPORTING

Subrecipients must report a vehicle incident, accident or casualty to the Section 5310 Program Manager within 48 hours of the occurrence.

Vehicles that are damaged, but repairable, must be repaired to an equal or better condition, compared to the condition prior to the incident.

If the vehicle is deemed a total loss, the following documentation must be submitted to the Section 5310 Program Manager within 10 working days of the incident:

- Vehicle Identification Number (VIN);
- The model year;
- The vehicle make;
- The mileage at the time of the incident;
- Arizona Accident Report or Incident Report forms; and
- Correspondence from the insurance company indicating the amount of the settlement of proceeds.

CHANGE IN EQUIPMENT STATUS OR CONDITION

Any extraordinary change in the status or condition of a vehicle or other capital equipment (including damage, operational failure, or legal involvement), must be reported to ADOT within five working days, even if satisfactory repair can be made within this period. Items such as flat tires, minor glass and paint scratches, minor “parking-lot dings,” other incidental body dents, and regular, non-accident related repair or normal replacement items, are not subject to this requirement unless a vehicle is out of service for more than 24 hours.

VEHICLE / EQUIPMENT DISPOSITION

Local public agencies may adopt their own rules and procedures for disposing of federally-funded surplus property as long as the disposal or sale is conducted in an open, public process. Revenues from the sale of property must be reinvested in the transit program for the same purpose. For example, proceeds from a vehicle sold are used for purchasing a replacement vehicle; proceeds from office equipment would go towards purchase of new equipment.

F. RECORD KEEPING

Records must be maintained in an auditable manner during the period of contractual obligation to ADOT as well as for five years after the date of completion of the project and/or release of the ADOT lien and the vehicle is taken out of service. A subrecipient may be audited without notice at any time during this period.

The subrecipient should maintain records regarding vehicle trip logs as well as information on driver safety records/incidents, vehicle insurance, regular and major maintenance and repair, and operating budget(s). The subrecipient should also keep up-to-date records on such aspects as ADA and other Civil Rights program requirements.

Site Reviews will include an assessment of the record retention capacity of subrecipients by reviewing source documents and inspecting records.

G. AUDITS

FTA does not require an annual financial audit of a subrecipient when the assistance is provided solely in the form of capital equipment procured directly by the State. Normally, therefore, Section 5310 subrecipients are not required to have an annual audit. However, as recipients of federal funds and/or state assistance, in any given year ADOT, or federal auditors, may choose to review financial records of subrecipients. These actions are designed to ensure tighter budget-process control, asset inventory management and enhanced ADOT-FTA reporting capability.

A financial audit is required of subrecipients each year an agency expends over \$500,000 in federal financial assistance in accordance with OMB Circular A-133. If the amount of FTA funds granted to a particular subrecipient does not trigger the requirement for an A-133 audit, ADOT may still request a review.

H. SITE VISITS

In depth management reviews / site visits of all agencies receiving Coordinated Mobility Program funds are completed periodically, at least once every three years.

These reviews / site visits focus on program compliance, vehicle use, maintenance, insurance, and safety. Representative topics include:

- Recent Program Changes (administrative and service)
- Compliance with Work Scope (i.e., is the vehicle still being used in accordance with the description in the subrecipient's original or approved-revised application?)

In addition, ADOT reviews compliance with FTA requirements, including:

- Program Management - written internal organization policies and procedures;
- Financial Management - procedures, recent audits, etc.;
- Vehicle Use, including insurance coverage reviews (if applicable);
- Vehicle Maintenance & Safety (if applicable); and
- Civil Rights, including Americans With Disabilities Act (ADA) Service Provisions; Title VI; Limited English Proficiency (LEP); Equal Employment Opportunity (EEO); Disadvantaged Business Enterprise (DBE) participation, and other related activities;

If site visits reveal consistent deficiencies, ADOT will provide technical assistance and training as needed.

PART II. FEDERAL REQUIREMENTS

As a Federal program, Federal legislation and a variety of Federal regulations form the foundation of how the Coordinated Mobility Program is managed. ADOT has developed procedures on how some of the Federal provisions are enacted in Arizona. In other cases, the requirement and language is straight from the Federal legislation and regulations.

In this section, the basic Federal and State requirements are summarized. In addition to reading the abbreviated summaries in this guidebook, applicants and subrecipients are urged to read the applicable FTA Program and Office of Management and Budget Circulars for a more in-depth description of the Federal requirements.

A. FTA CERTIFICATIONS AND ASSURANCES

All applicants and subrecipients must comply with various Federal requirements. FTA certifications and assurances, which are required to be signed by an authorized public official, are incorporated as part of the grant funding application and contract signature process.

On an annual basis, any subrecipient with an active FTA capital or operating project must continue to provide signature confirming ongoing compliance with applicable FTA certifications and assurances.

ADOT MPD, when submitting State grant applications to FTA, is also required to execute certifications and assurances both on behalf of the State and with respect to local subrecipients. ADOT annually agrees to comply with all requirements of the Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements.

B. PUBLIC INVOLVEMENT

Applicants are required to notify interested parties in the community of their intent to apply for **CAPITAL EQUIPMENT** funding under the Coordinated Mobility Program. Operating or mobility management projects do not require public notice in advance of the application.

To complete the public involvement requirements, agencies are required to:

1. Place a public notice in a newspaper of general circulation in the vicinity of the project stating the intent of the applicant.

2. Send a letter to all public and private transportation providers notifying them of the same and inviting their participation.

****NOTE:** In the Maricopa and Pima urban areas, the Maricopa Association of Governments (MAG) and Pima Association of Governments (PAG) take care of these responsibilities on behalf of the applicants in their area.

In addition, public agencies must provide an opportunity for a public hearing if one is requested. ***This requirement does not apply to private nonprofit organizations.*** Public notices shall be published in a newspaper(s) having general circulation in the vicinity of the proposed undertaking. If someone with a significant economic, social or environmental interest in the matter requests a hearing, such public hearings must be held at a place and time generally convenient for persons affected by the proposed undertaking and accessible to seniors and individuals with disabilities. Provisions should be made at the hearing for submission of written statements, exhibits, or oral statements. As appropriate to the ethnic makeup of the community or upon request, translators should be provided for non-English speaking persons at the hearing. A written summary of the oral proceedings must be prepared. In addition, requests for appropriate accommodation for persons with mobility, hearing or sight impairments must be honored.

With the exception of private nonprofit providers in the MAG and PAG regions, all private and public transit providers in the applicant's service area must be informed of the applicant's plans, via written notice, and provided with an opportunity to participate in the project. All replies of private and public sector providers must be included in the application. Supporting documentation must be provided if an applicant should deny existing private and public systems the opportunity to provide the service.

In Pima and Maricopa counties, PAG or MAG may place a single public notice, which takes the place of the above requirements for individual notifications to providers, and offer to conduct a single public hearing on behalf of all applicants. However, it is recommended in these regions that applicants voluntarily notify all "obvious" organizations, agencies or companies within their service area that might have an interest in and wish to comment on their application.

Samples of public notice and public hearing documents are provided in Appendix F.

C. CIVIL RIGHTS

All recipients of FTA assistance are responsible for compliance with all Civil Rights requirements applicable to transit related projects, including 49 U.S. 5332 (Nondiscrimination), Title VI of the Civil Rights Act of 1964, Equal Employment Opportunity (EEO), Section 504 of the Rehabilitation Act of 1973, the Americans with

Disabilities Act of 1990, Disadvantaged Business Enterprise (DBE) program requirements, and Limited English Proficiency (LEP). Subrecipients must also include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA. Subrecipients are also required to have internal agency written policies in place to address compliance with these requirements.

Applicants and subrecipients must comply with current DBE, EEO, LEP and ADA regulation requirements, as identified in the respective assurances enclosed in the application/contract package. Failure by the subrecipient to carry out the terms of the DBE, EEO, LEP and ADA programs will be treated as a violation of the Grant Agreement.

DISADVANTAGED BUSINESS ENTERPRISES (DBE)

Recipients of Coordinated Mobility Program funds should take affirmative steps to ensure that socially and economically disadvantaged business enterprises (DBEs) participate in the performance of contracts and subcontracts. This may mean as actual transportation service providers, or as suppliers of commodities or services needed in the operation of transportation service.

DBE Policy

The Arizona Department of Transportation's policy is to ensure nondiscrimination in the award and administration of DOT-assisted contracts in its highway, transit and airport financial assistance programs. To achieve this, ADOT will strive:

- To create a level playing field on which DBEs can compete fairly for DOT-assisted procurements and contracts of products and services;
- To ensure that the annual overall DBE participation percentage is narrowly tailored in accordance with applicable law;
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
- To help remove barriers to the participation of DBEs in DOT-assisted procurements and contracts of products and services; and
- To assist the development of firms that can compete successfully in the market place outside the DBE program.

Subrecipients must implement a policy to ensure that DBE's have an equal opportunity to receive and participate in DOT-assisted contracts, with the same intent as ADOT's policies listed above.

DBE Program Plan

All approved applicants for funding, as well as current subrecipients, that have contracts with vendors outside of the vehicle procurement ADOT oversees (i.e.: Mobility Management, Operations) are required to adopt ADOT's DBE Program Plan as it pertains to local agencies.

The subrecipient is also required to designate a DBE Liaison Officer. This officer is responsible for implementing and monitoring the requirements of the ADOT DBE Program Plan as it pertains to the subrecipient and be the primary point of contact for all related DBE compliance and reporting.

Nondiscrimination Assurance

Subrecipients (including vehicle recipients) or subcontractors should never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any ADOT funded contract on the basis of race, color, sex or national origin. The subrecipient will not use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

DBE Reporting

All applicants who receive preliminary approval for their project must notify the ADOT Civil Rights Office and inform them of all proposed contracting and purchasing opportunities in the project, and request the Program Administrator's assistance in locating and contracting with DBE's.

Subrecipients are to report on Coordinated Mobility funded projects (other than vehicle purchases) with competitive contracting opportunities outside the organization (such as operating and mobility management) through the Arizona Local Public Agency Contract Management System at <https://arizonalpa.dbesystem.com>

The subrecipient must complete semi-annual report data for ADOT to use in a report to FTA by May 1st of each year for the October 1st through March 31st report period and by November 1st of each year for the April 1st through September 30th report period. ADOT then prepares the FTA required semi-annual DBE report and submits this report to FTA twice a year.

The subrecipient shall submit to the Business Engagement and Compliance Office (BECO) the Notice of Contract Award Form 330S found online at azdot.gov within one week of contract execution in support of semi-annual reporting made by ADOT.

Additional DBE Requirements

- The subrecipient will assist ADOT in meeting a statewide Overall DBE Goal by race-neutral means.
- The subrecipient will create and maintain a bidders list consisting of information about all DBE and non-DBE firms that bid or quote on DOT funded procurement and contracts of services and products.
- The subrecipient will ensure that only Arizona certified DBE firms will participate in DOT funded procurements and contracts of services and products.
- The subrecipient will sign and include all applicable DBE assurances in contracts associated with ADOT administered DOT funds.
- The subrecipient will include all applicable DBE contract clauses in contracts associated with ADOT administered DOT funds.

If the subrecipient is found to have failed to exert sufficient reasonable and good faith efforts to involve DBEs in the work provided, ADOT may declare the subrecipient in breach of contract. For more information, refer to 49 CFR Part 26.

TITLE VI – NONDISCRIMINATION

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, national origin, or sex. Related laws and regulations, as cited below, prohibit discrimination on the basis of age and gender. Together these requirements are sometimes referred to as “Title VI.” Specific citations for FTA provisions for subrecipients include:

- Title VI of the 1964 Civil Rights Act, Section 601.
- Title VI Regulation, 49 CFR Part 21.
- FTA Circular 4702.1B, "Title VI Requirements and Guidelines for FTA Recipients," outlines specific State and subrecipient requirements.

Applicants for, and subrecipients receiving, funds or equipment from the Federal government through ADOT, are required to provide a concise description of any lawsuits or complaints alleging discrimination in service delivery and the status or outcome of those lawsuits or complaints as part of their application and annually thereafter, as long as a federal interest remains in their equipment or program.

In addition, applicants and subrecipients must also have and provide evidence in the application of:

- A Title VI policy;
- A published nondiscrimination complaint policy and procedure; and
- A published Title VI notice and instructions to the public regarding how to file a Title VI complaint including a copy of the complaint form.

LIMITED ENGLISH PROFICIENCY (LEP)

Limited English Proficiency (LEP) stems from Presidential Executive Order 13166 - fta.dot.gov/documents/LEP_Executive_Order.doc - and functions as a supporting element of Title VI Nondiscrimination. It is a provision which protects individuals utilizing services associated with these federally-assisted programs who do not speak English as their primary language; that is, they cannot speak, write or understand English to the degree they have difficulty understanding the program, or are otherwise uncomfortable communicating and interacting with persons administering or utilizing these programs. A number of indicators provide an operational definition of a person who is limited in their English proficiency for any particular region or locale; these factors and related information can be found at fta.dot.gov/documents/Newlepguidance.doc . An excerpt reads:

Subrecipients are required to take reasonable steps to ensure meaningful access to their programs and activities by LEP persons. While designed to be a flexible and fact-dependent standard, the starting point is an individualized assessment that balances the following four factors: (1) The number or proportion of LEP persons eligible to be served or likely to be encountered by a program, activity, or service of the recipient or subrecipient; (2) the frequency with which LEP individuals come in contact with the program; (3) the nature and importance of the program, activity, or service provided by the recipient to people's lives; and (4) the resources available to the subrecipient and costs.

The applicant, and subrecipient, is required to certify that their agency provides reasonable alternate-language accommodation for individuals who are Limited English Proficient (LEP), to the extent that the individuals represent a minority class that is sufficiently large enough to be considered as a significant alternate language within the region or locale. This status can be determined in a number of ways, one of the most useful may be information obtained from the local *school district* regarding predominant classes (i.e., alternate languages) of LEP individuals.

Reasonable accommodation for persons with LEP may range from information provided in a commonly used pamphlet(s) or flyer(s) regarding the agency's services to volunteer

or contracted interpreters. Although each situation may present its own unique circumstances, typically the agency *does not need to provide all* of its communications in the alternate language, but sufficiently enough for their services to adequately and clearly be conveyed to the requesting individual(s). Visit lep.gov or contact the ADOT Civil Rights Office for further information.

During the application process, applicants are required, if available, to provide ADOT with a copy of their LEP policy and LEP plan.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

The Federal Transit Laws, 49 U.S.C. 5332(b), provide that "no person in the United States shall on the grounds of race, color, religion, national origin, sex, or age be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any project, program or activity funded in whole or in part through financial assistance under this Act." This applies to employment and business opportunities and is considered to be in addition to the provisions of Title VI of the Civil Rights Act of 1964.

The applicant and subsequent subrecipient agrees that it will not discriminate against any participant on the grounds of race, color, creed, gender, disability, age, or national origin and also agrees to take affirmative action to ensure applicants and employees are treated without regard to race, color, creed, gender, disability, age, or national origin. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training. FTA Circular 4704.1, Equal Employment Opportunity Program Guidelines for FTA Recipients," outlines FTA EEO objectives. A copy of this and other FTA circulars is available from the ADOT Multimodal Planning Division.

To comply with EEO requirements, the application process requires applicants to provide proof of an EEO policy, an EEO public notice, and contact information of the agency's EEO coordinator.

AMERICANS WITH DISABILITIES ACT (ADA)

All ADOT subrecipients must comply with the Americans with Disabilities Act of 1990. The ADA was enacted by Congress as a national mandate for the elimination of discrimination against individuals with disabilities. In addition, any new construction of public access facilities must have accessible features incorporated to provide accessibility to persons who are mobility-impaired. Subrecipients can stay apprised of ongoing ADA requirements by visiting the following website and subscribing to the online ADA newsletter published by the FTA at: fta.dot.gov/civilrights/12325.html

Service Provisions: The ADA requires a number of specific service provisions be in place and operational for transportation providers. During site reviews of program subrecipients, ADOT staff will interview subrecipients regarding the status of the following ADA transportation service provisions:

- Maintenance of accessible features;
- Procedures to ensure lift vehicle availability;
- Lift and securement use (local policies and procedures);
- Announcement of stops (where applicable);
- Vehicle identification mechanisms in accordance with ADA;
- Service animals (what policies and procedures are in place which are in accordance with ADA?);
- Public information/communications (what actions are taken to apprise the disability community of transportation services available, and to otherwise ensure that persons with disabilities are given maximum opportunity to participate in the provision of services?);
- Lift deployment at stops, where requested;
- Service to persons using respirators or portable oxygen;
- Adequate time for vehicle boarding and disembarking (what actions are taken to ensure that reasonable time is provided?); and
- Training.

Subrecipients should undertake all reasonable means to provide for the needs of sight and hearing-impaired individuals in their communication within their facilities. Braille-etched sign and other forms of written communication as well as telephone devices for the hearing impaired are some examples of facility improvements, covered under the ADA.

ADA Vehicle Maintenance Guidelines: During the course of a subrecipient's participation in an ADOT program, maintenance of a grant funded vehicle(s) is a critical component of stewardship. The Section 5310 Contract, which must be agreed to and signed at the time of application, indicates that the signing party will abide by, or exceed, all manufacturers' recommendations related to vehicle servicing and other maintenance, including accessibility-related components and equipment. The ADA requires that:

- Public and private entities providing transportation services shall maintain in operative condition those features of facilities and vehicles that are required to make the vehicles and facilities readily accessible to, and usable by, individuals

with disabilities. These features include but are not limited to, lifts and other means of access to vehicles, securement devices, signage and systems to facilitate communications with persons with impaired vision or hearing.

- Accessibility features shall be repaired promptly if they are damaged or out of order. When an accessibility feature is out of order, the entity shall take reasonable steps to accommodate individuals with disabilities who would otherwise use the feature.
- A system of regular and frequent maintenance checks of lifts is required. If a lift fails to operate when in service, the ADA requires the vehicle be taken out of service before the beginning of the vehicle's next service day and repair the lift before the vehicle returns to service. If there is a contract operator, the subrecipient must ensure the contractor notifies the subrecipient immediately of any failure of the lift to operate in service.
- If there is no spare vehicle to take the place of a vehicle with an inoperable lift, the subrecipient may keep the vehicle in service for no more than five days if it serves an area of 50,000 or less population or three days if it serves an area of 50,000 or more population.
- This section does not prohibit isolated or temporary interruptions in service or access due to maintenance or repairs.

D. DRUG-FREE WORKPLACE PROGRAM

In accordance with the Drug-Free Workplace Act of 1988, each subrecipient is required to maintain a drug-free workplace for all employees and to have an anti-drug policy and awareness program.

To comply with the Drug-Free Workplace Act, the subrecipient should:

- Publicly post a "Drug-Free Workplace" Certification stating that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specify the actions that will be taken against employees for violation.
- Establish an ongoing drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations. The agency should conduct basic employee orientation regarding the use/abuse of drugs and alcohol in/affecting the workplace.

A Section 5311 Program subrecipient in your region may be able to assist in your development of a workable program and policy for your organization, as these agencies are required to have stringent testing and employee orientation policies in place. Contact ADOT's Section 5311 program manager in your region, or if in a rural area your COG representative, for further information on the Section 5311 related transit program nearest you.

Substance Abuse Testing Requirements

Subrecipients only receiving Section 5310 funding are not required to have in place a drug and alcohol testing program and other extensive monitoring.

Holders of commercial drivers licenses (CDLs) who operate Commercial-class vehicles *are subject* to Federal Motor Carrier Safety Administration (FMCSA) rules for drug and alcohol testing. The vast majority of Coordinated Mobility Program funded projects use vehicles that do not require commercial licenses of drivers to operate. However, if vehicles require drivers with CDLs, FMCSA drug testing requirements apply.

Subrecipients may develop their own drug testing and monitoring policies and procedures as long as they comply with civil rights and other state and federal regulations governing such testing programs. All equipment operators must of course comply with state regulations regarding post-accident and reasonable cause testing which may be required of all motor vehicle operators by state and local law enforcement.

E. SCHOOL BUS REQUIREMENTS

Under FTA school bus requirements, set out under 49 U.S.C. 5323(f) and 49 CFR Part 605, subrecipients may not engage in school bus operations exclusively for the transportation of students. These provisions derive from 49 U.S.C. 5302(a), which authorizes FTA assistance for mass transportation, but specifically exclude school bus service from such Federal assistance.

Providing Section 5310 vehicles for special needs schools, often referred to as schools for exceptional children, typically serving youth with mental and/or severe learning disabilities, is a popular and permitted use. In these circumstances, the applicant and subrecipient must be aware of any other state or federal school transportation requirements that may prohibit use of the Section 5310 type of vehicle.

F. LOBBYING

Lobbying is defined as influencing or attempting to influence an officer or employee of any Federal department or agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with obtaining a federal grant, cooperative agreement, or any other federal award.

Applicants, as well as current subrecipients, must certify that no Federal funds have been used to influence Federal employees or Federal elected officials. Subrecipients must also certify that if non-Federal funds have been used for this purpose, then the subrecipient has filed appropriate Federal disclosure forms of this activity.

G. DEBARMENT AND SUSPENSION

To prevent fraud, waste and abuse in federal transactions, persons or entities that, by defined events or behavior, potentially threaten the integrity of federally administered programs are excluded from participation in FTA-assisted programs.

To verify potential applicants and current subrecipients are not excluded, in accordance with US DOT regulations on Government wide Debarment and Suspension, 49 CFR 25.510, applicants and subrecipients must certify they are not debarred or suspended from any Federal agency. This is accomplished through signature of the application / contract and the certifications and assurances.

H. LABOR PROTECTION

Section 13 of the Urban Mass Transportation Act of 1964, as amended, specifies that as a condition to any financial assistance, fair and equitable arrangements be made to protect the interests of employees of transit providers, which may be affected by the project receiving such assistance.

Applicants and subrecipients must provide any required labor protection information. On an annual basis ADOT is required to certify to the Department of Labor (DOL) that 5310 and 5311 subrecipients are in compliance with terms and conditions of the Special Section 13(c) Warranty.

SECTION IV: DEFINITIONS / APPENDIX

PART I. DEFINITIONS

Advertising Revenues: The revenue earned from displaying advertising materials on transportation agency vehicles and property. The amounts should be net of any fees paid to advertising agencies, which place the advertisement with the transit agency.

Americans with Disabilities Act (ADA): Public Law 336 of the 101st Congress, enacted July 26, 1990. The ADA prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities, and transportation.

Annual Operating and Administrative Expenses. The recurring costs of providing public transportation service. They include: all employees' wages and salaries; fringe benefits; operating supplies such as fuel, and oil; contractors' charges for services; taxes; repair and maintenance services, parts, and supplies; equipment leases and rentals; marketing; lease or rental costs; and insurance. Operating expenses include administrative expenses.

Operating costs exclude fixed costs such as depreciation on plant and equipment and interest paid on loans on capital equipment.

Annual Passenger Trips: The number of passenger boardings counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination. Trips should be counted regardless of whether an individual fare is collected for each leg of travel. It includes passenger trips on volunteer vehicles. A passenger traveling to the hospital, then receiving a return trip home constitutes two passenger trips.

Brokerage System: An association of transportation providers managed by broker or agent who makes transportation arrangements for a specific clientele such as seniors and persons with disabilities. The transportation providers in a brokerage system are typically social service agencies and taxicab operators. The broker may be the transit agency directly or the transit agency may contract with an individual or firm to operate the brokerage system.

Bus Miles: The miles that a bus is scheduled to or actually travels from the time it pulls out from its garage to go into revenue service to the time it pulls in from revenue service. Does not include travel during non-revenue hours.

Capital: Projects related to the purchase of equipment. Equipment means an article of non-expendable tangible personal property having a useful life of more than one year and

an acquisition cost which equals the lesser of the capitalization level established by the government unit for financial statement purposes, or \$5,000. Capital expenses do not include operating expenses that are eligible to use capital funds.

Capital Costs: The expenses incurred within the year related to the purchase of facilities, vehicles, and equipment.

Capital Expense: The expenses related to the purchase of equipment. Equipment means an article of non-expendable tangible personal property having a useful life of more than one year and an acquisition cost which equals the lesser of the capitalization level established by the government unit for financial statement purposes, or \$5,000. Capital expenses do not include operating expenses that are eligible to use capital funds.

Charter Service: A vehicle hired for exclusive use that does not operate over a regular route, on a regular schedule and is not available to the public.

Complementary Paratransit Services: Transportation service required by the ADA for individuals with disabilities who are unable to use fixed route transportation systems. This service must be comparable to the level of service provided to individuals without disabilities who use the fixed route system and meet the requirements specified in Sections 37.123-137.133 of *Transportation Services for Individuals with Disabilities* (Part 37), CFR 49, Volume 1. The complementary services must be origin-to-destination service (demand response or on-call demand response service to an accessible fixed route where such service enables the individual to use the fixed route bus system for their trip.

Contract Revenues: Reimbursement by any organization, government, agency, or company, through formal contractual agreement with a transportation service operator, for trips provided to a specific passenger or group of passengers.

Contractor: An individual who is compensated by the transportation agency for directly operated services, the labor expense for the individual is reported in object class 501 labor, or for purchased transportation service, the labor expense for the individual meets the same criteria as object class 501 labor.

Contributed Services: The receipt of services (not cash) from another entity where such services benefit transportation operations and the transportation agency is under no obligation to pay for the services.

Coordination Plan: See “Locally Developed Coordinated Public Transit-Human Services Transportation Plan.”

Cost per Passenger-Trip: The total operating expense (including administration and maintenance) divided by the total annual number of passengers.

Deadhead (Miles and Hours): The miles and hours that a vehicle travels when out of revenue service. Deadhead includes (1) leaving or returning to the garage or yard facility; (2) changing routes; and (3) when there is no expectation of carrying revenue passengers.

Deadhead does not include charter service, school bus service, operator training, or maintenance training.

Demand Response: A transit mode comprised of passenger cars, vans, or small buses operating in response to calls from passengers or their agents to the transit operator, who then dispatches a vehicle to pick up the passengers and transport them to their destinations.

A demand response operation is characterized by the following:

- The vehicles do not operate over a fixed route or on a fixed schedule except, perhaps, on a temporary basis to satisfy a special need, and
- Typically, the vehicle may be dispatched to pick up several passengers at different pick-up points before taking them to their respective destinations. The vehicle may even be interrupted en route to these destinations to pick up other passengers.

The following types of operations fall under the above definitions provided they are not on a scheduled fixed route basis:

- Many origins—many destinations
- Many origins—one destination
- One origin—many destinations, and
- One origin—one destination.

Demand Responsive Vehicles

Maxivan or Standard Van: A factory-built 12 passenger vehicle (including the driver) manufactured by Ford, GM, or Chrysler. Vans can be retrofitted with wheelchair lifts or ramps and extended roofs, but the buyer must ensure the retrofit meets ADA requirements. The usual life expectancy of vans ranges from about 125,000 to 150,000 miles.

Van Conversion: A standard factory-built van that has been significantly altered by a specialty retrofitter after leaving the van maker's factory. These retrofitters remove the seats and the top half of the van. Among the features are an extended height roof, a specific wheelchair entry door, a front entry door with a convenient low step for ambulatory

passengers, and new seating with a center aisle. The conversion van has three-across seating: two-person seats on the driver's side and one-person seats on the other. The usual configuration is eight ambulatory seats and one wheelchair tiedown.

Minivan: A factory-built vehicle designed to be something between a car and a van. An example is the Dodge Caravan. They hold seven passengers, including the driver. A *wheelchair minivan* is one that has gone through an extensive after-factory conversion. The firms performing this after-factory work raise the roofs and literally drop the floor of the minivans about six inches, enabling them to use short wheelchair ramps, rather than wheelchair lifts. These vehicles usually hold two wheelchairs and one ambulatory passenger, in addition to the driver.

“Body-On-Chassis” or Cutaway Minibus: A specially-made body placed on a Ford or Chevy “cutaway” truck (not van) chassis. The chassis is made by Ford or Chevy, but the bodies are manufactured by companies such as Starcraft, Eldorado, and Supreme. These vehicles are wider and taller than standard vans. Like van conversions, they have walk-in, front entry doors and a center aisle, but they are wider and higher than van conversions, with interiors tall enough to allow a person to stand and four across seating. Minibuses are made with various wheelbases, designed to accommodate 16, 20, 24 or 28 ambulatory passengers (excluding the driver). When equipped to handle 24 or more passengers, an extra rear axle, referred to as a “tag axle,” is usually added by the manufacturer.

When minibuses are equipped to handle wheelchairs, four seats are removed for the wheelchair lift assembly and four seats for each wheelchair tiedown. Therefore, a minibus designed to handle 20 ambulatory passengers would convert to a vehicle holding 12 ambulatory passengers and one wheelchair tiedown.

Depreciation: The charges that reflect the loss in service value of the agency's assets. Depreciated items have a high initial cost and a useful life of more than one accounting period. To account for the reduction in value (usefulness) of this type of asset, a portion of the cost is expensed each year of the asset's life. Depreciation and amortization include the depreciation of the physical facilities such as: tracks and roadbeds; elevated structures; passenger stations and parking facilities; revenue vehicles, operating stations; facilities (including buildings, equipment, and furnishings) for power generation and distribution; revenue vehicle movement control; data processing; revenue collection and processing, and so forth. *FTA funds will not pay for depreciation charges.*

Deviated Fixed Route Service: Transit service that operates along a fixed alignment or path at generally fixed times, but may deviate from the route alignment to collect or drop off passengers who have requested it.

Direct Cost: An object class (e.g., labor, services, materials, and supplies) that is incurred exclusively for a particular function, mode, and type of service. For example, an operator whose time is spent solely in driving a bus or a mechanic who works only on directly operated buses.

Elderly Individuals: Persons 60 years of age or older.

Eligible Low-Income Individual: Refers to an individual whose family income is at or below 150 percent of the poverty line (as that term is defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by that section) for a family of the size involved (see [uscode.house.gov](https://www.uscode.house.gov). Search for Title 42, Section 9902).

Employee(s): An individual who is compensated by the transportation agency as follows:

- For directly operated services, the labor expense for the individual is reported in object class (501) labor.
- For purchased transportation service, the labor expense for the individual meets the same criteria as object class (501) labor.
- Applies to transit employees and contractors.

Employee Work Hours: Employee labor hours, not including fringe benefit hours such as sick leave, holidays, and vacations. Work hours include only labor hours for employees of the transit agency, both full time and part time, permanent and temporary.

Fare Revenues: All income received directly from passengers, either paid in cash or through pre-paid tickets, passes, etc. It includes donations from those passengers who donate money for the ride.

Federal Transit Administration (FTA): The agency under the U.S. Department of Transportation that provides financial assistance to develop new transit systems and improve, maintain, and operate existing systems.

Federal Award: The amount of FTA share assistance being provided subrecipients based on the approved application. Also referred to as the Federal / FTA Share or FTA award.

Fixed Route Services: Services provided on a repetitive, fixed schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed route trip serves the same origins and destinations, such as rail and bus, unlike demand responsive and vanpool services.

Fixed Route Vehicles

Transit Bus (or Transit Coach): A bus with front and center doors, normally with a rear-mounted engine, low-back seating, and without luggage compartments or restroom facilities for use in frequent-stop service. This is found most typically on fixed route systems. A 40-foot coach is the common type bus used in larger systems. This vehicle can usually hold about 42 ambulatory passengers when two wheelchair tiedowns are provided. A 35-foot coach will hold about 35 ambulatory passengers. The average service life of transit coach chassis is about 12 years. It is common for the engine and other equipment to be rebuilt a number of times.

Intercity Bus: (Also referred to as an over-the-road coach.) A bus with front door only, separate luggage compartments, and usually with restroom facilities and high-backed seats for use in high-speed long-distance service. Usually 40-foot or longer, with only forward-facing, reclining seats. Most noted for being the vehicles of choice for the intercity bus industry. They usually hold about 40 passengers. These buses usually are not wheelchair accessible; this, according to the private sector, is largely due to the cost of retrofitting, the loss of seats and luggage space, and the space required for restroom facilities. However, while the ADA granted an exemption to the private sector, this exemption is now expiring.

Full Time Employees: Employees of the transit agency meeting the local definition of full time hours. Normally, these persons are entitled to receive the full benefits package (e.g., sick leave, vacation, and insurance benefits).

General Administration: All activities associated with the general administration of the transit agency, including transit service development, injuries and damages, safety, personnel administration, legal services, insurance, data processing, finance and accounting, purchasing and stores, engineering, real estate management, office management and services, customer services, promotion, market research, and planning.

Grantee: Also referred to as a “subrecipient,” a grantee is an organization that has applied for funds, has been awarded funds, and has executed a contract with ADOT.

Human Service Transportation: Transportation services provided by or on behalf of a human service agency to provide access to agency services and/or to meet the basic, day-to-day mobility needs of transportation-disadvantaged populations, especially individuals with disabilities, older adults, and people with low incomes.

Hybrid Vehicle: A vehicle that combines two or more sources of power that can directly or indirectly provide propulsion power, so as to increase efficiency and thereby reduce emissions. A hybrid vehicle uses a mixture of technologies such as internal combustion engines, electric motors, gasoline, and batteries.

Individual with a Disability: An individual who, because of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including an individual who is a wheelchair user or has semi-ambulatory capability), cannot use effectively, without special facilities, planning, or design, public transportation service or a public transportation facility (49 U.S.C. 5302(a)(5), *Definitions*).

In-Kind Contributions: In-kind contributions are goods and services donated from outside your agency. The value of noncash charges for real property and equipment, and the value of goods and services must directly benefit and be specifically identifiable to the project. To be eligible as match, the monetary value of the in-kind contributions must be documented.

In-Kind Match Valuation Report: A written proposal that identifies the sources of in-kind match and method for determining their value. Documentation for goods and services should include donation receipts stating the donor, the item donated, and its fair market value. Volunteer time should include time cards and be charged at either the prevailing wage or the wage rate paid to an employee performing similar duties.

Information Systems: Systems for processing data including computers, monitors, printers, scanners, data storage devices, and associated software that support transit operations such as general office, accounting, scheduling, planning, vehicle maintenance, non-vehicle maintenance, and customer service functions.

Insurance Premiums:

Administration: Insurance premiums related to the administrative portion of your operation. Generally, general liability, office space, and office equipment related insurance premiums, as long as they are related to the transit program's operation, are eligible for FTA participation.

Operating: Vehicle and bus maintenance/ storage facility insurance premiums. Both are eligible for FTA participation.

Intercity Bus Service (ICB): Regularly scheduled bus service for the general public, using an over-the-road bus, that operates with limited stops over fixed routes connecting two or more urban areas not in close proximity or connecting one or more rural communities with an urban area not in close proximity, has the capacity for transporting baggage carried by passengers, and makes meaningful connections with scheduled intercity bus service to more distant points.

Locally Developed Coordinated Public Transit-Human Services Transportation Plan: A plan that identifies the transportation needs of individuals with disabilities, older adults,

and people with low incomes, provides strategies for meeting those local needs, and prioritizes transportation services for funding and implementation.

Mass Transportation or Mass Transit: Synonymous with public transportation.

Materials and Supplies: The tangible products obtained from outside suppliers or manufactured internally. Expenses include freight-in, purchase discounts, sales taxes and excise taxes (except on fuel and lubricants) are to be included in the cost of the material or supply.

Charges to these expense accounts will be for the materials and supplies issued from inventory for use and for the materials and supplies purchased for immediate use; i.e., without going through inventory.

Miscellaneous Expenses: The expenses that cannot be attributed to any of the other major expense categories (labor, fringe benefits, services, materials and supplies, utilities, casualty and liability costs, taxes, and purchased transportation.

Mobility Management: Eligible capital expenses consisting of short-range planning and management activities and projects for improving coordination among public transportation and other transportation service providers carried out by a recipient or subrecipient through an agreement entered into with a person, including a government entity, under Chapter 53 (other than Section 5309). Mobility management does not include operating public transportation services.

Nonprofit Organization: A corporation or association determined by the Secretary of the Treasury to be an organization described by 26 U.S.C. 501(c), *List of Exempt Organizations*, which is exempt from taxation under 26 U.S.C. 501(a), *Exemption From Taxation*, or one which as been determined under state law to be nonprofit and for which the designated state agency has received documentation certifying the status of the nonprofit organization. See also private nonprofit organization.

Non-Urbanized Area (Non-UZA): An area (a population of fewer than 50,000) designated by the U.S. Bureau of the Census, also referred to as a rural area.

Number of Active Vehicles in Fleet: The total number of operational revenue vehicles in the fleet available for public and/or specialized transportation service, including spare or back-up revenue vehicles. The total should also include any operational revenue vehicles used by contractors in public or specialized transportation service. Non-revenue service vehicles and personal vehicles should not be included.

One-Way Passenger Trips: A trip made by one person from one origin to one destination. A “round-trip” is considered two trips. Ride means the same as trip. ADOT only is concerned with one-way trips and does not track round trips or rides.

Operating Assistance: Financial funding to help cover the operating costs of providing transit services. Operating costs are classified by function or activity and the goods and services purchased. The basic functions and object classes are detailed in the Operating Expenses form (F-30) and are defined in Section 5.2 and 6.2 of the Uniform System of Accounts (USOA).

Operating Costs: Operating costs are considered those expenses necessary to operate, maintain, and manage a transit system. Operating expenses usually include such costs as driver salaries, fuel, and items having a useful life of less than one year.

The term “operating expenses” is defined as all expenses associated with the operation of an individual mode by an operator. Operating expenses do not include reconciling items such as interest expenses and depreciation. Generally, a subrecipient may call any eligible cost that is not a capital or planning cost an operating cost.

It is the applicant’s responsibility to demonstrate that the amount of funds being requested for operating assistance is no more than half the operating expenses after fare and other system-generated revenues such as advertising or concessions are used to reduce the operating costs to a net operating project cost. It is also the responsibility of the subrecipient to establish its operating expense records in accordance with the reporting system and uniform system of accounts and records prescribed by 49 USC 5335(a), *Reports and Audits*.

Operating Deficit: The difference between operating expenses and operating revenues.

Operating Revenues: Revenues derived through the operation of a public transportation program, which includes fares, passes, rider donations, and advertising placed inside or outside a service vehicle.

Over-the-Road Bus or Coach: A bus characterized by an elevated passenger area located over a baggage compartment.

Paratransit: Types of passenger transportation that are more flexible than conventional fixed-route transit but more structured than the private automobile. Paratransit includes demand response transportation services, shared-ride taxis, car pooling and vanpooling, and jitney services. Most often refers to wheelchair-accessible, demand response service.

Part-Time Employees: Employees of the transit agency who work less than the local definition of full time. Normally, these persons are not provided the full benefits package (e.g., sick leave, vacation and insurance benefits) associated with full time employment.

Full time employees working part of their time in a function or mode are not part time employees.

Passenger Fares: The revenue earned from carrying passengers in regularly scheduled and demand response (DR) services. Passenger fares include base fare, zone or distance premiums, express service premiums, extra cost transfers, quantity purchase discounts applicable to the passenger's ride and special transit fares.

Passenger-Trips per Capita: The total number of boardings divided by the service area population.

Passenger-Trips per Service Hour: The ratio of passenger trips to revenue hours of service.

Private-For-Profit Provider: A nonpublic entity that provides public transportation services. For-profit entities exist primarily to generate a profit, (i.e., a surplus of revenues over expenditures).

Private Nonprofit Provider: A nonpublic entity with a tax-free status that provides transit services. Nonprofit entities exist to provide a particular service (e.g., public transportation) to the community. Nonprofit refers to a type of business—one that is organized under rules that forbid the distribution of profits to owners. Profit refers to a surplus of revenues over expenditures.

Project/Project Request: Public transportation services or public transportation alternatives proposed in an application.

Public Transportation: Congress amended the definition of “public transportation” to specify that public transportation is regular, continuing, shared-ride, surface transportation service that is “open to the general public or open to a segment of the general public defined by age, disability, or low income.” Public transportation does not include Amtrak service, intercity bus service, charter bus service, school bus service, sightseeing service, courtesy shuttle service for patrons of one or more specific establishments; or intra-terminal or intra-facility shuttle services.

Purchased Transportation: Transportation service provided by a public or private transportation provider based on a written contract. The provider is obligated in advance to operate public transportation services for a specific monetary consideration, using its own employees to operate revenue vehicles. Purchased transportation does not include franchising, licensing operations, management services, cooperative agreements, or private conventional bus service.

Rolling Stock: Vehicles such as buses, vans, cars, and trolley buses as well as vehicles used for support services.

Route Deviation: A type of transit service that operates as conventional fixed route bus service along a fixed alignment or path with scheduled time points at each terminal point and key intermediate locations. Route deviation service is different than conventional fixed route bus service in that the bus may deviate from the route alignment to serve destinations within a prescribed distance (e.g., $\frac{3}{4}$ mile) of the route. Following an off route deviation, the bus must return to the point on the route it left.

Rural: Population under 50,000, and neither “small urbanized” nor “large urbanized.”

Seniors: An individual who is 65 years of age or older. The term is used in the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program.

Service Area: A measure of access to transportation service in terms of population served and area coverage (square miles). The reporting transportation agency determines the service area boundaries and population for most services using the definitions contained in the Americans with Disabilities Act of 1990 (ADA).

Service Area — Demand Response: As Demand Response does not operate over a fixed route, but rather serves a broad area, the service area cannot be measured by corridors. Therefore, the service area for demand response is the area encompassing the origin to destination points wherever people can be picked up and dropped off.

Service Vehicles: The vehicles used to support revenue vehicle operations and that are not used to carry transit passengers. Types of service vehicles include tow trucks, supervisor vans, transit police cars, staff cars.

Social Service Agency: A public or private nonprofit organization providing specialized programs, potentially including transportation service, to a specific clientele such as seniors and persons with disabilities.

State of Good Repair: The ability to define and maintain a target asset condition in which an asset performs at the level it was intended.

State Management Plan: The document developed by ADOT and submitted to FTA on a periodic basis that details the Department’s policies and procedures for administering FTA grant programs.

Subrecipient: Refers to a state or local governmental authority, nonprofit organization, or operator of public transportation services that receives a FTA grant indirectly through a recipient, such as ADOT.

Subscription Service: Shared use transit service operating in response to on-going reservations made by passengers to the transit operator, who can schedule in advance a consistent trip to pick up the passenger and transport them to their destination.

Surface Transportation Program (STP): Federal Highway Administration (FHWA) funds transferred from the Surface Transportation Program (STS) to FTA for transit projects. These funds may be used for capital projects including, ridesharing projects, bicycle and pedestrian facilities, transit safety improvements and transportation control measures; and, for planning activities including transit research and development, environmental analysis and wetland mitigation.

Temporary Employees: Employees of the transit agency working full time or part time hours, but only for a limited period of time for the completion of a set task. These persons are usually not entitled to receive any benefits and do not have any job security rights. Persons employed through a temporary employment agency are not temporary employees of the transit agency.

Total Project Cost: Amount of FTA share assistance awarded **plus** the local match funds provided by the subrecipient that equals the total amount contracted for the project applied for and awarded during the application period.

Travel Training: Travel training is short-term, comprehensive, intensive instruction designed to teach students with disabilities how to travel safely and independently on public transportation. The goal is to train students to travel independently to a regularly visited destination and back. Specially trained personnel provide the travel training on a one-to-one basis.

Uniform System of Accounts (USOA): A structure of categories and definitions used for NTD reporting to ensure uniform data. The USOA contains:

- Various categories of accounts and records for classifying financial (Chart of Accounts) and operating data
- Definitions of the data elements included in each category
- Definitions of practices for the orderly and regular collection and recording of the data.

Urbanized Area (UZA): An area defined by the U. S. Census Bureau that includes:

- One or more incorporated cities
- Villages, and
- Towns (central place), and

- The adjacent densely settled surrounding territory (urban fringe) that together have a minimum of 50,000 persons.

Urbanized Areas, Large: Large urbanized areas have populations of 200,000 or more.

Urbanized Areas, Small: Areas with populations between 50,000 and 200,000.

Utilities: The payments made to various utilities for utilization of their resources (e.g., electric, gas, water, telephone, etc.). Utilities include propulsion power purchased from an outside utility company and used for propelling electrically driven vehicles, and other utilities such as electrical power for purposes other than for electrically driven vehicles, water and sewer, gas, garbage collection and telephone.

Vanpool Service: Transportation service operating as a ride sharing arrangement, providing transportation to a group of individuals traveling directly between their homes and a regular destination within the same geographical area. The vehicles shall have a minimum seating capacity of seven persons, including the driver. Vanpool(s) must also be open to the public and that availability must be made known. Does not include ridesharing coordination.

Vehicle Hours (Miles): The hours (miles) that a vehicle is scheduled to or actually travels from the time it pulls out from its garage to go into revenue service to the time it pulls in from revenue service. Does not include non-revenue hours.

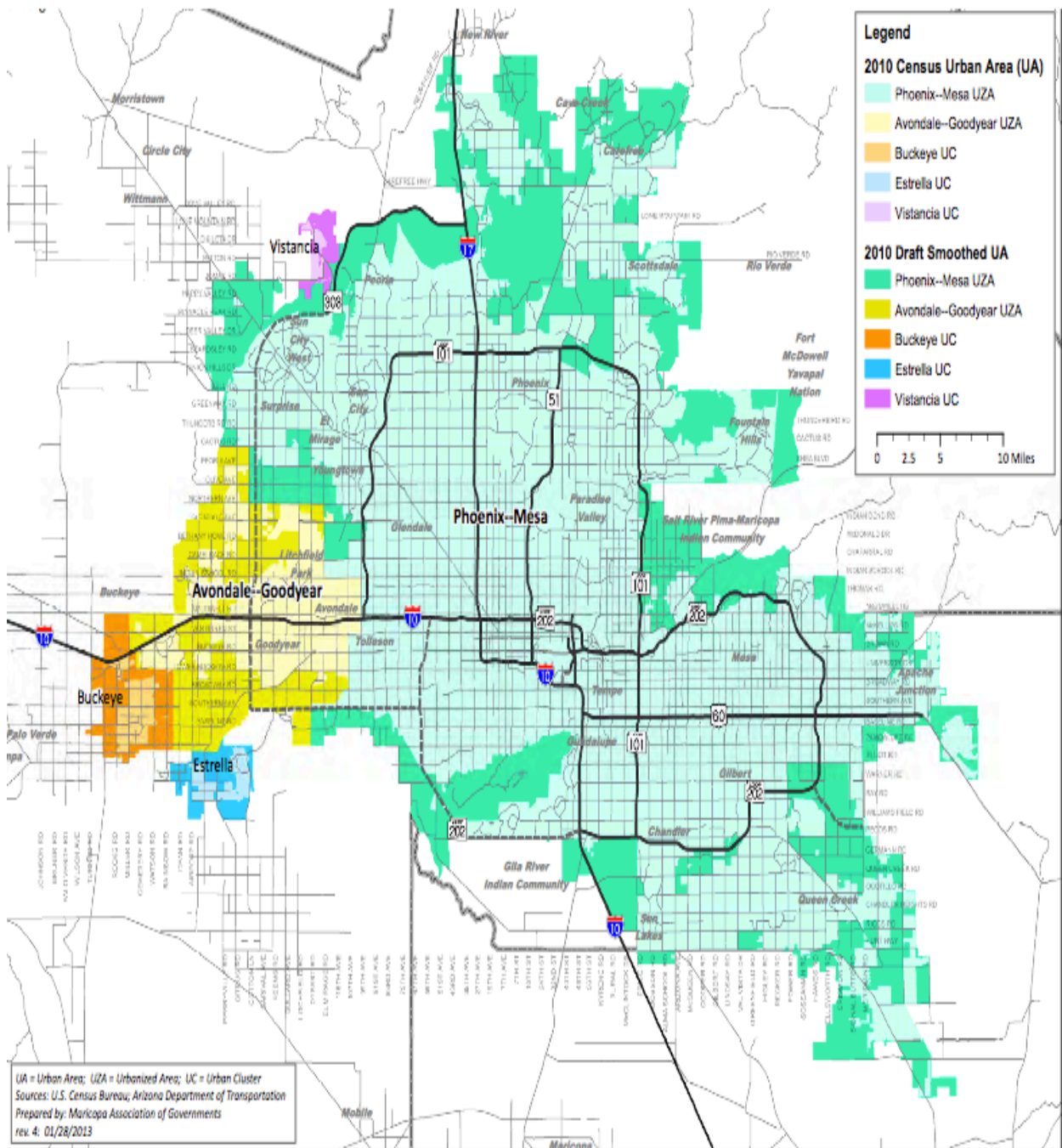
Vehicle Revenue Hours: The hours that vehicles are scheduled to or actually travel while in revenue service. Vehicle revenue hours include layover / recovery time; but excludes deadhead, operator training, and vehicle maintenance testing, as well as school bus and charter services.

Vehicle Revenue Miles: The miles that vehicles are scheduled to or actually travel while in revenue service. Vehicle revenue miles include layover / recovery time; but excludes deadhead, operator training, and vehicle maintenance testing, as well as school bus and charter services.

PART II. APPENDIX

- A. MAG Urbanized Area Map
- B. Eligible Direct Cost Categories
- C. In-Kind Match Valuation Proposal Form
- D. Sample In-Kind Match Tracking Forms
- E. Sample Vehicle Inspection Form
- F. Sample Public Notice and Public Hearing Documents
- G. Passenger Trip Calculation

A. MAG URBANIZED AREA MAP



B. ELIGIBLE DIRECT COST CATEGORIES

VEHICLE OPERATIONS

Driver salaries: Includes all wages paid to drivers for the operation of passenger vehicles or the value of time spent driving.

Dispatcher salaries: Includes all wages paid to individuals responsible for the dispatching of passenger vehicles or the value of time spent dispatching.

Fringe benefits: Includes the cost of fringe benefits for drivers and dispatchers.

Fuel and oil: Includes the cost of gasoline, diesel fuel, engine oil, and other lubricants.

Tubes and tires: Includes material for the maintenance of tires and purchase of tires.

Vehicle insurance: Includes the cost of vehicle and transportation related types of insurance including liability and property damage, workmen's compensation, fire, and theft.

Vehicle lease: Includes the cost of leasing vehicles used to transport passengers.

Vehicle license: Includes the cost of licensing and/or registration tax on vehicles used to transport passengers.

Purchased service: Includes the cost of any portion of service purchased from another operator.

Maintenance mechanic salaries: Includes all wages paid to mechanics on staff or the value of their time spent on maintenance.

Maintenance fringe benefits: Includes the cost of fringe benefits for mechanics on staff.

Maintenance service: Includes the cost of outside contracts for maintenance of passenger vehicles.

Maintenance materials and supplies: Includes the cost of materials and supplies to maintain passenger vehicles. Includes all materials and supplies not provided through a maintenance service contract.

Maintenance facility: Includes costs incurred by renting a facility in which vehicles are maintained by staff mechanics.

Maintenance equipment rental: Includes costs of renting maintenance equipment and includes equipment rental costs not provided through a maintenance service contract.

Maintenance utilities: Includes all utility costs for maintenance facilities. If maintenance facilities are not metered separately, all utility costs should be included in the Administrative utilities costs.

ADMINISTRATION

Administrator salary: Includes all wages paid to the administrator of the agency *for time allotted to the transportation program* or the value of their time spent on transportation-type administrative duties.

Manager salary: Includes all wages paid to the manager of the transportation program *for time allotted to the transportation program* or the value of their time spent on transportation management duties.

Clerical/Secretary salary: Includes all wages paid for secretary/clerical support *for the transportation program* or the value of their time spent on secretarial/clerical duties.

Bookkeeper salary: Includes all wages paid for bookkeeping support *for the transportation program* or the value of time spent on bookkeeping duties.

Other staff: Includes all wages paid to other staff not categorized above *supporting the transportation program* or the value of their time. Other staff must be itemized.

Fringe benefits: Includes the cost of fringe benefits for the staff included in the salary categories above.

Materials and supplies: Includes all the cost of office materials and supplies.

Telephone: Includes all telephone rental, purchase, and installation costs.

Office rental: Includes the cost of renting office space *for the transportation program*.

Utilities: Includes all utilities costs for the administrative offices or for all facilities, *if they are not metered separately, that are attributed to the space allocated for transportation*.

Office equipment: Includes administrative costs not categorized above that contribute to the *operation of the transportation program*. All items must be specified.

C. IN-KIND MATCH VALUATION PROPOSAL FORM

In-Kind Match Valuation Proposal

When preparing documentation for verification of matching funds, applicants must follow the instructions provided in Section II, Part II, subsection D of the FY 2013 ADOT Coordinated Mobility Grant Program Guidebook. The use of this form is required for submission with a FY 2013 5310 Program application if the applicant intends to use in-kind resources as a source of local match. One form should be completed for **each** source of in-kind match provided that will be used as local match for the project requested.

Legal Name and Address of the Third-Party providing an In-Kind Contribution:

Total Value of Third-Party In-Kind Donation for Eligible Project Purposes:

\$ _____

In the chart below for **Third-Party In-Kind Contributions**, identify or describe the (a) item being donated, whether it is a *Good* or a *Service*, mark “G” for Good and “S” for service, (b) *nature* of the goods and/or services to be donated to the project during the grant period, (c) *when* the goods and/or services will be donated during the proposed grant period, and (d) the *value* of the goods and/or services. Organizations including the services of affiliated volunteers must follow the third-party verification requirements herein, for *each individual volunteer*.

Third-Party In-Kind Contributions

Is this a Good or Service? (G or S)	Description of the Goods and/or Services	When the Goods and Services will be Donated (month/year)	Fair Market Value (FMV) of Goods and/or Services
			\$
			\$
			\$
			\$
	Total Value		\$

Will the third-party in-kind contribution be provided to the applicant during the proposed grant period?

_____Yes _____No

Describe how the Fair Market Value for each item in the table listed above was determined.
Provide any necessary back-up documentation with this form that shows how the FMV was determined.

D. SAMPLE IN-KIND MATCH TRACKING FORMS

Match Worksheets

The forms provided allow agencies to accurately keep a record of all in-kind contributions from an independent third-party such as volunteer time, equipment, materials and supplies, consultants and contracts, and other types of contributions received during each grant period.

VOLUNTEER PERSONNEL

Volunteer Name: _____

Volunteer Primary Job Duties: _____

Hourly Rate _____

Activity (<i>List All Related Volunteer Activities Here</i>)	Date	Hours	Total Value
TOTAL FOR MONTH			

Signature of Person Completing Report: _____

Date: _____

CONSULTANTS AND CONTRACTS

DATE	CONSULTANT/ CONTRACTOR	DESCRIPTION OF ACTIVITY	NUMBER OF DAYS	DAILY RATE	COMPUTA- TION OF VALUE	TOTAL CONTRIBUTION

Notes/Explanation:

Signature of Person Completing Report_____

Title_____

Date_____

E. SAMPLE VEHICLE INSPECTION FORM

FTA ANNUAL VEHICLE INSPECTION		2013
COMPONENTS INSPECTED:		
TASK DESCRIPTION: BRAKES		
	OK	REPAIR
ADJUSTMENT		
MECH. COMPON		
DRUM/ROTOR		
HOSE/TUBING		
LINING		
PARKING BRAKES		
OTHER: (describe)		
TASK DESCRIPTION: EXHAUST		
	OK	REPAIR
LEAKS		
PLACEMENT		
OTHER: (describe)		
TASK DESCRIPTION: LIGHTING		
	OK	REPAIR
HEADLIGHTS		
TAIL/STOP		
CLEARANCE/MARKER		
IDENTIFICATION		
REFLECTORS		
OTHER (describe)		
TASK DESCRIPTION: CAB/BODY		
	OK	REPAIR
ACCESS		
EQUIPMENT/LOAD SECURE		
TIE-DOWNS		
OTHER (describe)		
TASK DESCRIPTION: STEERING		
	OK	REPAIR
ADJUSTMENT		
COLUMN/GEAR		
AXLES		
LINKAGE		
POWER STEERING		
OTHER (describe)		
TASK DESCRIPTION: FUEL SYSTEM		
	OK	REPAIR
TANK(S)		
LINES		
OTHER (describe)		
TASK DESCRIPTION: SUSPENSION		
	OK	REPAIR
SPRINGS		
ATTACHMENTS		
SLIDERS		

OTHER (describe)		
TASK DESCRIPTION: FRAME	OK	REPAIR
MEMBERS		
CLEARANCE		
OTHER (describe)		
TASK DESCRIPTION: TIRES	OK	REPAIR
TREAD		
INFLATION		
DAMAGE		
OTHER (describe)		
TASK DESCRIPTION: WHEELS/RIMS	OK	REPAIR
FASTENERS		
DISC/SPOKES		
OTHER (describe)		
TASK DESCRIPTION: BODY/MISC	OK	REPAIR
MIRRORS		
WINDSHIELD		
WIPERS		
DECALS		
OTHER (describe)		
TASK DESCRIPTION: WHEEL CHAIR LIFT INSPECTION	OK	REPAIR
WHEEL CHAIR LIFT		
<p>COMMENTS:</p> <p>WHEEL CHAIR LIFT INSPECTION CHECKLIST (IF APPLICABLE) THE FOLLOWING OPERATIONS & CONDITIONS MUST BE FUNCTIONALLY VERIFIED IN ORDER FOR THE LIFT TO BE FMVSS 403/404 COMPLIANT:</p> <ol style="list-style-type: none"> 1. VEHICLE MOVEMENT IS PREVENTED UNLESS THE LIFT DOOR IS CLOSED 2. LIFT OPERATION SHALL BE PREVENTED UNLESS THE VEHICLE IS STOPPED AND VEHICLE MOVEMENT IS PREVENTED. 3. THE PLATFORM WILL NOT FOLD/STOW IF OCCUPIED 4. THE INNER ROLL STOP WILL NOT RAISE IF OCCUPIED 5. THE OUTER BARRIER WILL NOT RAISE IF OCCUPIED 6. VERIFY PLATFORM LIGHTING WHEN LIFT IS DEPLOYED AND PENDANT ILLUMINATION WHEN LIFT IS POWERED 7. A WARNING WILL ACTIVATE IF THE THRESHOLD AREA IS OCCUPIED WHEN THE PLATFORM IS AT LEAST ONE INCH BELOW FLOOR LEVEL. 8. PLATFORM MOVEMENT IS PROHIBITED BEYOND THE POSITION WHERE THE INNER ROLL STOP IS FULLY DEPLOYED (UP) 9. PLATFORM MOVEMENT SHALL BE INTERRUPTED UNLESS THE OUTER BARRIER IS DEPLOYED (UP) 		

F. SAMPLE PUBLIC NOTICE AND PUBLIC HEARING DOCUMENTS

SAMPLE OF PUBLIC NOTICE

The following is a sample of a public notice to be published once in a newspaper of general circulation in the community in which the service is to be offered. Your notice must include the ADA provision as stated, or use essentially similar language to that noted below. The notice must be published sufficiently in advance to allow at least a 15-day response period for affected transportation providers within the applicant's service area, prior to the applicant's submittal of its application to the COG/MPO. **A copy of this notice is to be included with your application.** (In some areas the COG/MPO places the public notice for all interested agencies. Check with your COG/MPO before placing your notice and be sure to include a copy of the notice even if placed by the COG/MPO.)

PUBLIC NOTICE

This is to notify all interested parties that _____ is applying for an accessible van-type vehicle under the Enhanced Mobility of Seniors and Individuals with Disabilities Grant Program (49 U.S.C. § 5310). The vehicle will be used to transport those elderly and disabled persons in the area of _____, on a fixed route or demand responsive basis, at least 5 days per week and up to 24 hours per day.

Pursuant to the Americans with Disabilities Act (ADA) of 1990, this notice additionally serves to inform interested parties that request may be made of the applicant for accommodation of "special needs" for a person(s) with a disability(s) to have maximum feasible opportunity for physical and information access to and regarding the above proposed project.

Anyone wishing to comment on this application should do so by _____, 20__, to Community Service Organization, 123 Saguaro Blvd., Somewhere, Arizona 85000. Any public or private transit or paratransit operator wishing to provide an equivalent service to that proposed above should submit to the above named agency within 30 days, a written proposal detailing the service that operator would provide.

Published: ARIZONA LEDGER, _____, 20__

Required of Public Agency applicants only.

Public agencies are required to post a public hearing if they are requested to do so by a party interested in their application.

SAMPLE LANGUAGE FOR NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by (applicant) at (address of hearing location) at (time and date) for the purpose of considering a project for which financial assistance is being sought from the U.S. Department of Transportation. Grant funds will be used to (describe project, including location, items to be purchased, etc.).

At the hearing, (applicant) will afford an opportunity for interested persons or agencies to be heard with respect to the social, economic and environmental aspects of the project. Interested persons may submit oral or written evidence and recommendations with respect to said project.

A copy of the grant proposal is currently available for public inspection at (location).

Applicant's Authorized Representative

SAMPLE LETTER OF NOTIFICATION TO OTHER PROVIDERS

APPLIES TO RURAL APPLICANTS ONLY (CAG, SEAGO, WACOG, NACOG REGIONS)

The following is a sample notification letter to be sent to every public and private transportation service agency/business in your service area. This letter supplements the public hearing notice and does not replace it. Maricopa and Pima county applicants are exempt from sending this letter as MAG and PAG are responsible for notification requirements.

(Use your letterhead)

S A M P L E

Dear _____:

This is to notify you that **(your agency)** is applying for financial assistance under the ADOT Enhanced Mobility of Seniors and Individuals with Disabilities Grant Program authorized under 49 U.S.C. Section 5310 for capital assistance. **(Your agency)** has requested

(Give a brief but complete description of the equipment your agency has requested and what it will be used for. Include: 1. The Service Area; 2. Days and Hours of Operation; 3. Fare Schedule, if any. Attach more detailed information, if appropriate.)

The purpose of this letter is to advise you of our application and to ensure that this proposal would not represent a duplication of your service. Private and public transit and paratransit operators may receive reimbursement funds through purchase of service agreements. Therefore, we solicit your involvement in our proposed service.

I ask that you contact this office in writing within 10 days if you believe that you can provide all or a part of this service or if you have specific objections to the proposed project. In your letter you should state your specific objections or counter proposal. If you support the application, please complete the enclosed sign-off letter and return it to this office.

Our address is: **(your address)**

Also, please send a copy of your letter to the Arizona Department of Transportation, which is the funding agency for the Section 5310 Program. Their address is:

Arizona Department of Transportation
206 South 17th Avenue, Mail Drop 340 B
Phoenix, Arizona 85007

Should you desire any additional information on the proposed service, please contact me at _____.

Sincerely,

G. PASSENGER TRIP CALCULATION

PASSENGER TRIP CALCULATION

(To be used in conjunction with related application questions)

This appendix document explains the way passenger trips are calculated for the Section 5310 program. Use the following formulas as a guideline in calculating passenger trip numbers for the application. Subrecipients are required to track the number of passenger trips carried. Applicants for new projects may estimate the anticipated ridership using the following guidelines.

In ADOT programs a passenger “trip” is a **one-way trip**, where a passenger boards the vehicle, is taken to a destination and gets off the vehicle at the destination, discounting incidental stops such as a one minute letter drop off or a restroom break as part of a primary trip purpose.

Human service programs may require that agencies track the number of round-trips provided (two one-way trips for a single passenger is a “round-trip”), the number of clients served, or the unique individuals served. As a result, programs receiving funding from human service programs will need to consider reporting requirements from other agencies when developing their tracking forms. In the following examples the number of individuals served are identified as this may assist in understanding how human service agency reporting requirements compare to the ADOT definition of a passenger trip.

Two options are provided for some of the calculations.

Trip Examples:

- ❑ 4 people board a van at a local senior center and then get off at the local grocery store. This routing counts as 4 passenger trips. The van is idle until it picks up the same people at the grocery store later and returns them to the senior center. This return route counts as an additional 4 trips. This van has provided 8 one-way trips for 4 individuals.
- ❑ 1 person boards a van and is taken to the doctor. (1 trip). The driver then picks up 3 people at the adjacent clinic and takes them to the senior center. (3 more trips). The driver returns to pick up the person visiting the doctor and returns her to the senior center. (1 more trip). This vehicle has provided 5 one-way passenger trips for 4 individuals. Three people each made one one-way trip and one person made two one-way trips.
- ❑ 10 people are picked up at the agency’s rehabilitation center in the morning and taken on a driving field trip where the only stop is a brief restroom break. The van returns these 10 individuals to the center at the end of the excursion. 10 one-way passenger trips were made by the van this day.